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107-1 CIVIL LAW DEPOSITION  
RECEIVED AFTER OCTOBER 3, 2001

East Poplar Oil Field  
S. S. - West Case

DEPOSITION - RAYMOND FLOYD

Region 8



13596

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1 DEPOSITION OF RAYMOND FLOYD REEDE

2 490 N 31st ST, STE 500

3 BILLINGS MT

4 SEPTEMBER 27, 2001

5 10:03 AM

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BE IT REMEMBERED THAT, pursuant to Notice of  
1 Deposition filed in said court and cause, the deposition  
2 of Raymond Floyd Reede was taken according to the  
3 Federal Rules of Civil Procedure at the time and place  
4 and with the appearances of counsel hereinbefore noted,  
5 before T. Sterling Smith, notary public for the State of  
6 Montana.

7 (Deposition Exhibits 51-A and 51-B marked.)

8 RAYMOND FLOYD REEDE,

9 being duly sworn, testified on his oath as follows:

10 EXAMINATION

11 BY MR. GALLIK:

12 Q. Mr. Reede, would you please state your full  
13 name and spell your last name for the court reporter?

14 A. Raymond Floyd Reede, R-E-E-D-E.

15 Q. What is your address?

16 A. [REDACTED]

17 Q. How old are you?

18 A. Pretty old. 59.

19 Q. What is your occupation?

20 A. I work in the oilfield.

21 Q. And who is your employer?

22 A. Murphy Exploration & Production Company.

23 Q. And how long have you worked for Murphy  
24 Exploration?

25 A. Since 1967.

Q. Do you have any other family members that live

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up near Poplar?

A. My wife.

Q. In terms of the location of your house near  
Poplar, U.S. Highway 67, you're familiar with I think  
what we've been talking about as the East Poplar Unit?

A. Yes.

Q. And I have a map here which I have marked as  
Deposition Exhibit 51-B, and just so you know,  
Mr. Reede, the various colored marks on here are from  
Mr. Campbell's deposition.

A. Oh. Okay.

Q. There's a legend down here (indicating). I'm  
not necessarily going to ask you about it, but just so  
you know where those marks came from. Is your house  
located anywhere on this map?

A. No.

Q. How far away from the unit are you located?

A. 20 miles, 25 miles.

Q. Which way would that be?

A. Southwest.

Q. Towards Wolf Point?

A. Yeah.

Q. And how long have you lived in that particular  
residence?

A. 4 years.

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1 Q. Prior to that where did you live?  
2 A. Section 18 up here (indicating).  
3 Q. Section 18, is that located on Exhibit 51-B?  
4 Do you see that?  
5 A. 51-B? Well, I'm in the (indicating) . . .  
6 Q. 28 North is down here (indicating).  
7 A. Yeah. I was in the northwest of the northeast  
8 quarter of Section 18, I think.  
9 Q. How long did you live in that particular  
10 house?  
11 A. Oh, 30 years, I guess.  
12 Q. Any particular reason why you moved?  
13 A. Well, I wanted a bigger place, and I thought I  
14 was done with Murphy.  
15 Q. So had you retired from Murphy for a period of  
16 time?  
17 A. Yes.  
18 Q. When did you first retire?  
19 A. Oh, August of '96.  
20 Q. How long were you retired before you became  
21 re-employed?  
22 A. I never was retired. I went just from an  
23 employee to contracting the next day.  
24 Q. And we'll go over a little bit your employment  
25 history here in a second. The house that you had over

Page 7

1 in Section 18, did that have a well associated with it  
2 for water?  
3 A. Yes.  
4 Q. And was that drinkable water?  
5 A. Yes.  
6 Q. And you could bathe in that water?  
7 A. Yes.  
8 Q. Use it for cooking?  
9 A. Yes.  
10 Q. Washing your clothes?  
11 A. Yes.  
12 Q. Did you during the time that you lived there  
13 notice any change in the condition of the water at your  
14 house?  
15 A. No.  
16 Q. In terms of your employment with Murphy, you  
17 as I understand your testimony started working with  
18 Murphy in 1967?  
19 A. Yes.  
20 Q. Was that your first job that you had out of  
21 high school or college or . . . ?  
22 A. No.  
23 Q. What was your employment history prior to  
24 working for Murphy?  
25 A. I worked for contractors out in the oilfield.

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1 Q. And when you say out in the oilfield, would  
2 that be the East Poplar Unit?  
3 A. Yes.  
4 Q. Where did you graduate from high school?  
5 A. Poplar.  
6 Q. Were you raised in Poplar?  
7 A. Since I was 9 years old.  
8 Q. Where did your parents live?  
9 A. Well, they lived in Poplar then.  
10 Q. In the town proper?  
11 A. The first 2 years we lived out in the country,  
12 and then they lived in town.  
13 Q. When you say they lived out in the country,  
14 where out in the country did they live?  
15 A. Oh, up in here (indicating) someplace.  
16 Q. You're pointing to Exhibit 51-B.  
17 A. It'd probably be a mile up here (indicating).  
18 Q. So off to the north of the map.  
19 A. Yeah.  
20 Q. And when you lived out in the country, was  
21 your water supplied by a well?  
22 A. Yes, but we hauled it from the neighbor's,  
23 'cause there was no well on that place.  
24 Q. So your neighbors had a well, and you would  
25 haul the water from the neighbor to your house.

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1 A. Yes.  
2 Q. Do you know why there wasn't a well on your  
3 property?  
4 A. They said they couldn't get any water there.  
5 Q. Did the absence of the well on your property  
6 have anything to do with your parents' decision to move  
7 to Poplar?  
8 A. No.  
9 Q. In terms of your employment with Murphy since  
10 1967, can you give me kind of a summary of your  
11 positions with Murphy?  
12 A. Well, I started out as a relief pumper for  
13 probably a year. Then I pumped till '75, so I pumped  
14 for 7 years. And then I was foreman from '75 to '81.  
15 Q. And from 1981?  
16 A. I been district manager.  
17 Q. So from 1981 through 1996, you were the  
18 district manager. By virtue of being a contract  
19 employee with Murphy, has your responsibility or duties  
20 changed since 1996?  
21 MS. OSTBY: I'm going to object --  
22 A. Would you repeat that?  
23 MS. OSTBY: -- to your prefacing. I'm sure  
24 that misstates what he testified to with your term  
25 "contract employee."



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1 Q. How would you describe your relationship now?  
2 Are you --  
3 A. Now?  
4 Q. Yes.  
5 A. I'm a contract employee now, from '96 on.  
6 Q. Right. That's what I thought you said.  
7 MS. OSTBY: Your question was from '81 to '96.  
8 Q. Oh. Sorry. My question meant from 1996 till  
9 now are you still the district manager?  
10 A. Yes.  
11 Q. So your duties and responsibilities haven't  
12 changed since 1996?  
13 A. No.  
14 Q. Backing up, what is a relief pumper?  
15 A. Well, he replaces the regular pumper on the  
16 regular pumper's days off. You work for 1 pumper 2 days  
17 a week and then another pumper 2 days a week.  
18 Q. What's a pumper?  
19 A. He takes care of the wells.  
20 Q. In terms of maintenance?  
21 A. Maintenance.  
22 Q. Oversight?  
23 A. What was that?  
24 Q. Oversight of the well?  
25 A. Yes, he checks the production and checks the

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1 operation.  
2 Q. Would the pumper also be responsible for  
3 checking for leaks?  
4 A. Yes.  
5 Q. And reporting leaks?  
6 A. Yes.  
7 Q. In terms of reporting leaks, who would a  
8 pumper at Murphy report a leak to?  
9 A. Well, he'd report it to his foreman or  
10 district manager or roustabout crew or somebody to get  
11 it fixed.  
12 Q. Ultimately is that -- I'm talking again with  
13 Murphy. Ultimately is that leak to be reported to the  
14 district manager?  
15 A. Yes.  
16 Q. So is the pumper actually, then, out in the  
17 field on the well site whenever he's working?  
18 A. Yes.  
19 Q. Now, you were a foreman from 1975 to 1981.  
20 What were your duties and responsibilities as a foreman?  
21 A. Well, you oversee the production and any  
22 service work that's going on.  
23 Q. Do you have a broader range or a broader  
24 geographical area of responsibility as a foreman?  
25 A. Yes, generally you have a couple pumpers under

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1 you or a bigger area than you did when you were just a  
2 pumper. When you're a pumper, you got 1 specific area  
3 to take care of.  
4 Q. When you were a pumper between 19 -- I'm  
5 sorry -- a relief pumper between '67 and '75, did you  
6 have a specific area of responsibility?  
7 A. Well, I wasn't a relief pumper from '67 to  
8 '75. I was a relief pumper for about a year from '67 to  
9 '68. And then I was all over the field from '67 to '68.  
10 Then '68 I mainly pumped the south end of the field.  
11 I told you wrong there, too. From '68 to  
12 probably '72 or '3, I pumped the south end of the field,  
13 and then I went to kind of vacation relief. I relieved  
14 all over the district when somebody's on vacation, and  
15 then spare time I was a mechanic, just filled in where  
16 they needed help.  
17 Q. That would be till approximately '72 or '73?  
18 A. From '72, yeah, to '75, I had that job.  
19 Q. So from '72 to '75, you were a vacation  
20 pumper?  
21 A. Yeah.  
22 Q. That's different than a relief pumper.  
23 A. Well, yes. We had quite a few employees then,  
24 and somebody was on vacation about 9 or 10 months of the  
25 year, so I was on their lease when they were on

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1 vacation. And then when nobody's on vacation, I was  
2 kind of a roustabout and a mechanic and whatever.  
3 Q. Is it possible for you to identify on the map  
4 with a marker the 2 areas of responsibility that you  
5 just talked about in terms of when you were a pumper and  
6 you had a certain area for a while where you were  
7 responsible for the wells?  
8 A. Yeah.  
9 Q. I'm going to hand you this yellow highlighter,  
10 and if you could identify or mark somehow --  
11 MS. OSTBY: Can we go off the record a minute?  
12 (Discussion off the record.)  
13 Q. Mr. Reede, I'm handing you a pink marker. If  
14 you could identify on Exhibit 51-B the areas of your  
15 responsibility as a pumper.  
16 MS. OSTBY: During what period of time?  
17 MR. GALLIK: Well, I think he said that there  
18 were 2, so let's talk about the first --  
19 Q. (By Mr. Gallik) There were 2 areas, correct,  
20 that you were responsible for at different times?  
21 A. Well, from '67 to '68, I worked the whole  
22 field.  
23 Q. I understand that.  
24 A. And from '68 to about '72, I worked 1 place on  
25 the south end of the field.

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1 Q. Let's talk about the '68 to '72 with the pink  
2 marker. Just mark that area that you worked in pink.  
3 A. (Marking.) Can't draw too good.  
4 Q. I understand, Mr. Reede, that that's just  
5 approximate, and that's all I'm looking for. So if I  
6 put on here this pink line, that would be Ray Reede  
7 (writing) 1968 to . . . ?  
8 A. '72.  
9 Q. (Writing.) Now, was there a second period of  
10 time where you were responsible for a different area of  
11 the Poplar oilfield, or Poplar unit?  
12 A. Well, like I told you, when I first started, I  
13 pumped this lease (indicating) 2 days a week.  
14 Q. And you're pointing to the area within the  
15 pink line?  
16 A. Yeah. Then I pumped this middle area  
17 (indicating) 1 day a week. And I pumped this north end  
18 2 days a week.  
19 Q. This is during the same period of time?  
20 A. The first year, from '67 to '68.  
21 Q. I understand. So you worked -- From '67 to  
22 '68, you worked pretty much the whole field.  
23 A. Right.  
24 Q. And I'm just trying to understand.  
25 A. Yeah.

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1 Q. And there was a period of time where I  
2 understood your testimony where you were kind of  
3 responsible for 1 area, correct?  
4 A. Right.  
5 Q. Was there another period of time where you  
6 were responsible for a different area of the field?  
7 A. Well, like I said, when somebody's on  
8 vacation, I relieved this guy (indicating) and this guy  
9 (indicating) and this guy (indicating). And then we had  
10 3 guys over in Tule Creek off to the west. I relieved  
11 them on their vacations, too.  
12 Q. So from '72 on is my understanding correct,  
13 then, that you worked pretty much in the whole field?  
14 A. Right.  
15 Q. Then as a foreman from '75 to '81, your area  
16 of responsibility again was the entire East Poplar  
17 oilfield?  
18 A. Mostly just the north end.  
19 Q. And that would be -- Just in reference to the  
20 pink line that you've drawn, would that be to the north  
21 of the pink line?  
22 A. Right.  
23 Q. Was there a separate foreman for the area  
24 south of the pink line?  
25 A. Yes.

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1 Q. And what was that person's name?  
2 A. Oh, Jerry Hagadone was down there. Probably  
3 Jerry Hagadone most of the time.  
4 Q. Is he still employed with Murphy, do you know?  
5 A. No.  
6 Q. Do you know when he left the employment of the  
7 company?  
8 A. Probably '94; '93, '94.  
9 Q. Do you know where he lives now?  
10 A. Yes. He lived lives in Poplar.  
11 Q. Now, from 1981 to the present, you've been the  
12 district manager, correct?  
13 A. Yes.  
14 Q. And that would be, I take it, for the entire  
15 East Poplar Unit?  
16 A. Yes.  
17 Q. And underneath you would be the foreman?  
18 A. Yes.  
19 Q. For both the north and the south ends of the  
20 field?  
21 A. Yes.  
22 Q. Then also the pumpers in the field?  
23 A. Yes.  
24 Q. Who do you report to as the district manager  
25 in Murphy?

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1 A. Right now I report to Sidney Campbell.  
2 Q. In terms of the duties and responsibilities of  
3 the district manager, can you just briefly summarize  
4 those for me?  
5 A. Well, you oversee all the daily operations of  
6 the whole district.  
7 Q. What are the daily operations of the district?  
8 A. Well, see that everything's running and order  
9 repairs and supplies as needed.  
10 Q. Is one of your jobs as district manager to  
11 report to a state agency or a federal agency if there's  
12 been a leak or a spill?  
13 A. Yes.  
14 Q. Before you became district manager, do you  
15 know who the district manager was?  
16 A. Yes.  
17 Q. What was that person's name?  
18 A. Billy Melear.  
19 Q. And does that person still live in the Poplar  
20 area?  
21 A. No.  
22 Q. Is he still alive, do you know?  
23 A. No.  
24 Q. He's dead?  
25 A. Yes.

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1 MS. OSTBY: It's the only other option. I  
2 guess --  
3 MR. GALLIK: Did I ask that . . . ?  
4 MS. OSTBY: You said he's alive, and he said  
5 no. Then you asked him --  
6 MR. GALLIK: Oh, I thought I asked if he was  
7 still in the Poplar area.  
8 Q. (By Mr. Gallik) Mr. Reede, was there a  
9 particular reason why you became a contract employee as  
10 opposed to how you were employed before?  
11 A. Well, Murphy was selling out, and they offered  
12 us an early retirement package, so I took it.  
13 Q. This was in 1996?  
14 A. Yes.  
15 Q. When you say they were selling out, you're  
16 talking about their interests in the East Poplar Unit?  
17 A. Well, they started out they was going to sell  
18 everything. And then they just sold the Tule Creek  
19 area, and they done some more work there in the unit.  
20 Q. So the Tule Creek area would be further to the  
21 west?  
22 A. Right.  
23 Q. And that was the only portion of their  
24 interests that was sold?  
25 A. Right.

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Page 21

1 Q. Did you have any role in helping Murphy with  
2 respect to I guess marketing their interests in the East  
3 Poplar field?  
4 A. Not really. When somebody come to look at it,  
5 I showed it, and that's about it.  
6 Q. So you would take them around the East Poplar  
7 Unit?  
8 A. Yes.  
9 Q. Do you know, was there interest from other  
10 companies in purchasing the East Poplar Unit?  
11 A. Yes.  
12 Q. Can you tell me the name of the company or  
13 individuals who expressed an interest in purchasing some  
14 or all of the interests in the East Poplar Unit?  
15 A. Well, that Merit was around, looked at it.  
16 And then -- Yeah, Merit and UPR and then another couple  
17 of them that I can't remember who they were.  
18 Q. UPR would be Union Pacific?  
19 A. Right.  
20 Q. And Merit, is that an oil company?  
21 A. Yes.  
22 Q. In terms of your responsibilities, did you  
23 gather up any documents for them, or were you just  
24 escorting them through the field?  
25 A. I think I just escorted them through the

1 field.  
2 Q. We'll get back to that in a little bit. When  
3 you were district manager -- And I guess you still are  
4 now district manager -- were you the person on site who  
5 was responsible for making sure that the various  
6 regulations governing environmental compliance were  
7 being followed?  
8 A. Yes.  
9 Q. And then did Murphy, your employer, give you  
10 direction or advise you of a policy with respect to  
11 environmental compliance?  
12 A. Yes.  
13 Q. What was that policy that you were advised of?  
14 A. Well, I don't know. We had to be just . . .  
15 I don't really know what you mean there.  
16 Q. Did Murphy have a policy with respect to, for  
17 example, pollution?  
18 A. Well, we try not to do any pollution.  
19 Q. And if there was, for example, a spill or a  
20 leak, what was the policy with respect to handling that  
21 situation?  
22 A. Well, first thing you do is shut it in and  
23 then repair it.  
24 Q. And do you also report it to the agency?  
25 A. Yes, if it's big enough.

1 Q. If it's big enough, who do you report to?  
2 A. BLM, the State, the tribe.  
3 Q. Is there a standard by which you are to judge  
4 whether the spill or leak is big enough to report?  
5 A. Well, I try to report anything over 25 barrels  
6 unless it's in the dike. If it's in the containment  
7 dike, we don't.  
8 Q. Was there a policy or directive from the State  
9 telling you to report a leak of a certain magnitude?  
10 A. Yes.  
11 Q. And what was that?  
12 A. Well, I think the State's 50 barrels. I'm not  
13 sure on that one.  
14 Q. You're not sure on the federal?  
15 A. Right off the top of my head, no, I can't say.  
16 Q. So with respect to the federal and state  
17 agencies, if there was anything over 25 barrels, you  
18 would report it unless it was contained within a  
19 containment dike?  
20 A. Yes.  
21 Q. What is a containment dike?  
22 A. Well, we've got a dike or berm around our  
23 locations. In case you have a spill, it contains it  
24 there rather than running out.  
25 Q. Is that containment dike lined with any



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1 material?

2 A. No.

3 Q. So a containment dike would be different than

4 a saltwater disposal pit, then.

5 A. Right.

6 Q. In terms of oil production activities, I

7 understand that saltwater is a byproduct of the

8 production of crude oil?

9 A. Right.

10 Q. And during the time that you've worked for

11 Murphy in the East Poplar Unit, can you describe for me

12 the methods that you are aware of that Murphy has used

13 to dispose of saltwater?

14 A. Well, we've got saltwater injection wells, and

15 we pump that water down them saltwater injection wells.

16 Q. Is that the only method that you're aware of

17 that's been used since you've been employed with Murphy?

18 A. Yes.

19 Q. So you have not while you've been employed

20 used earthen pits.

21 A. Not -- For an emergency maybe.

22 Q. In terms of the wells that you have in the

23 East Poplar Unit, the earthen pits that we're talking

24 about that could be used during an emergency, is that

25 part of the standard layout of a well, is to have an

Page 23

1 emergency pit near the well?

2 A. We don't have emergency pits, no.

3 Q. So if you would use a pit for an emergency,

4 would that have been an existing pit from an earlier

5 day?

6 A. Yes.

7 Q. Do you know, the emergency pits that you're

8 familiar with, were those lined or unlined?

9 A. Unlined.

10 Q. And am I correct in my assumption that -- I

11 think you answered this, but I want to be clear -- that

12 those emergency pits were in existence when you came to

13 work for Murphy?

14 A. Right.

15 Q. Do you know whether those pits were used to

16 dispose of saltwater on a regular basis before you came

17 to work for Murphy?

18 MS. OSTBY: I'm going to object that it calls

19 for speculation. If you know.

20 MR. GALLIK: I just asked whether he knew.

21 MS. OSTBY: Yeah.

22 A. I don't think so, no.

23 Q. (By Mr. Gallik) You don't know?

24 A. I don't think so, not around them wells.

25 Q. Do you have any knowledge as to what purpose

Page 24

1 those emergency pits were built?

2 A. Just whatever well out there's got a cellar on

3 it about 5 foot square and 5, 4 or 5, foot deep. And

4 they had a drain going from that cellar out to that pit.

5 In case you had a spill, why, it drained from that

6 cellar into that pit. Then you picked it up.

7 Q. Does Murphy still build those types of pits

8 with their wells?

9 A. No.

10 Q. Why not?

11 A. Well, just easier to keep it in that cellar,

12 and you suck it out of that cellar. If you're working

13 on a well and that flows or something or the wellhead

14 leaks, it leaks into that cellar, and then you just come

15 around, suck them out.

16 Q. And you'll have to bear with me. I'm not

17 intimately familiar with oilwells. I am learning. The

18 cellar that you're talking about, that is something

19 different than the emergency pit?

20 A. Yes.

21 Q. And in relation -- Is that also different than

22 the -- I'll use my characterization -- the earthen berm

23 around the well that we talked about earlier?

24 A. Yes.

25 Q. It's something different than that earthen

Page 25

1 berm?

2 A. Yes.

3 Q. Where would the cellar be located?

4 A. Right immediately around the wellhead. The

5 wellhead's in the middle of the cellar.

6 Q. So if something spills into the cellar, where

7 does it go?

8 A. It stays there till we pick it up.

9 Q. What is the cellar made of in terms of

10 material?

11 A. Concrete.

12 Q. So is it like a little swimming pool?

13 A. Well, just a containment, what it is.

14 Q. And how many gallons or barrels of water or

15 oil can that cellar hold?

16 A. I imagine 8 or 10.

17 Q. And if it fills up the cellar, then it

18 overflows, I take it?

19 A. It could, yes.

20 Q. And then is that why you have a berm?

21 A. Yes.

22 Q. And that would contain the excess that comes

23 out of the cellar to that area within the berm.

24 A. Right.

25 Q. During the time that you've worked for Murphy,



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1 have you ever observed or have any knowledge of water or  
2 oil flowing out of the cellar and being contained within  
3 the berm?

4 A. Yes.

5 Q. And when that happens, does that usually  
6 trigger a report to either the State or a federal  
7 agency?

8 A. No.

9 Q. When would it trigger a report to the State or  
10 federal agency?

11 A. If it gets out of that berm.

12 Q. And again just so I have some perspective,  
13 what size of ground are we talking about in terms of the  
14 area within the berm, but outside the cellar?

15 A. Probably 125 foot square, 150 foot square.

16 Q. In terms of the height of the berm, how high  
17 would the berm be?

18 A. Well, if the ground's level, it would be from  
19 a foot to maybe 2 foot high.

20 Q. And the berm is made out of dirt or some sort  
21 of earth material?

22 A. Right.

23 Q. During the time that you've been employed with  
24 Murphy -- Well, let me back up. Was that the system  
25 that's been used by Murphy since you started in 1967 in

1 building earthen berms, were most of the wells there  
2 already in existence?

3 A. Yes.

4 Q. And they had pits from prior construction.

5 A. Right.

6 Q. Were there any new wells that were drilled  
7 during that period of time?

8 A. From '67 till when?

9 Q. To the late '70s when Murphy started using the  
10 containment dike.

11 A. Oh, a couple.

12 Q. Do you recall during that period of time what  
13 Murphy did for purposes of containment of spills? Since  
14 we weren't to that dike phase yet, do you know how they  
15 went about trying to contain spills outside of the  
16 cellar?

17 MS. OSTBY: On those 2 wells?

18 MR. GALLIK: (Nodding head in the  
19 affirmative.)

20 A. Run that by me again.

21 Q. (By Mr. Gallik) Sure. All I'm trying to  
22 figure out -- And let me just make sure we're on the  
23 same path here. When you started working in 1967, the  
24 wells often had associated with them earthen pits from a  
25 time before you started working, correct?

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1 terms of containment of spills?

2 A. Oh, I think in 1980 we started doing the -- I  
3 don't know what year it was. Probably in the '80s we  
4 started doing that, the late '70s.

5 Q. In the late '70s you started doing the  
6 cellar/berm --

7 A. Well, the cellar's been there since the wells  
8 have been drilled.

9 Q. So the berm would have been something that was  
10 started in the '70s?

11 A. Probably late '70s.

12 Q. Between 1967 and the late 1970s, what method  
13 did Murphy use to contain spills that may come out of  
14 the cellar?

15 A. Well, at that time they had the -- what I was  
16 telling you about, them small pits. They had a drain  
17 line from that cellar to that pit.

18 Q. Just so I'm clear on this, from 1967 to the  
19 late '70s when you started using the berm, I take it  
20 that -- Well, I'll assume, and correct me if I'm  
21 wrong -- were wells being drilled and put into  
22 production during that let's say 10-year period of time?

23 A. Not much, no.

24 Q. So in terms of the wells that you're familiar  
25 with when you started in '67 until the time they started

1 A. (Nodding head in the affirmative.)

2 Q. You have to answer "yes" or "no" for the --

3 A. Yes.

4 Q. And as I understand it, those pits were used  
5 for purposes of overflow when the cellar became too  
6 full, correct?

7 A. Yes.

8 MS. OSTBY: Can I just object? Those were  
9 protections if it did. Your question is assuming that  
10 in every case --

11 MR. GALLIK: That's fine.

12 MS. OSTBY: -- that happened, and I just -- I  
13 want to object --

14 MR. GALLIK: No, I'm not assuming anything.  
15 I'm just trying to make sure we're on the same page.

16 MS. OSTBY: -- that those were the protections  
17 in the event there were problems. Okay.

18 Q. (By Mr. Gallik) So in the late '70s, Murphy  
19 started building these berms, correct?

20 A. (Nodding head in the affirmative.)

21 Q. What I'm trying to understand is you testified  
22 earlier you thought there were a couple of wells that  
23 were constructed in between the time you started working  
24 and the time that the earthen berm was constructed  
25 around the wells. Do you remember that?

Page 30

1 A. Yes.

2 Q. In terms of containment of leaks, if any, was

3 there a method that was used by Murphy during that time

4 when they constructed those new wells?

5 A. Well, I think we still had them little pits

6 that that cellar was tied into.

7 Q. So you would dig another pit.

8 A. Yeah. Generally it was part of the reserve

9 pit that . . .

10 Q. During the time that you've worked with

11 Murphy, have you ever had occasion where the fluid from

12 the well, that overflows from the cellar and into the

13 earthen berm area? Has that ever happened?

14 A. Yes.

15 Q. Has there ever been a time where the amount of

16 fluid that spills out of the cellar and into the

17 containment area has flowed over the containment dike?

18 A. Yes.

19 Q. How often, to your knowledge, has that

20 happened?

21 A. Not very often.

22 Q. And that would be the type of spill or leak

23 that you would report to the state and federal agencies?

24 A. Yes.

25 Q. So there would be a record of that somewhere.

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1 A. Probably.

2 Q. And do you recall by well name where those

3 leaks that we've just talked about occurred?

4 A. I think it happened at 101 once, but I can't

5 really remember anymore.

6 Q. And when you say 101, that's Well No. 101?

7 A. Well No. 101.

8 Q. Looking at Exhibit 51-B, do you know where

9 Well 101 is?

10 A. Right there (indicating).

11 Q. And that's in Section 14 of Township 28 North?

12 A. Yeah. 28, 51.

13 Q. Do you recall approximately when that one

14 particular spill occurred?

15 A. No, I can't remember when it was.

16 Q. And in terms of the amount of the spill in

17 Section 14, do you have an approximation of how much

18 fluid was spilled?

19 A. I can't remember now. Been quite a while ago.

20 Q. Do you know or do you have a recollection as

21 to why there was a spill or leak at Well No. 101?

22 A. Well, it'd been shut in, and the flow line

23 froze up, busted. And it thawed out.

24 Q. And when you say it was shut in, what does

25 that mean?

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1 A. Well, the well was shut in. They thought it

2 was shut in then.

3 Q. Again, you have to help me a little bit here

4 in terms of my understanding of what a well being shut

5 in is. What does that in layman's terms mean?

6 A. Well, it was shut down. It was shut off.

7 Q. So the well was not producing?

8 A. Right.

9 Q. What was the fluid that flowed out into the

10 cellar and into the --

11 A. Oil.

12 Q. And to the best of your knowledge, that was

13 reported at the State?

14 A. Yes.

15 Q. And what did Murphy do in terms of cleaning up

16 that leak?

17 A. We burnt the oil.

18 Q. How long did that take you? Do you recall?

19 A. Oh, I don't remember. Not very long.

20 Q. Is that a standard way of getting rid of spilt

21 oil?

22 A. It used to be, yes.

23 Q. When did it stop becoming a standard way of

24 removing oil that had been spilled on the ground?

25 A. About 10 years ago, I suppose.

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1 Q. If that were to happen again today, what is

2 the standard procedure for cleaning up oil that's

3 spilled on the ground?

4 A. Well, you get a vac truck and squeegees and

5 squeegee it up.

6 Q. Do you remove any topsoils, as well?

7 A. Try not to, no.

8 Q. So you just kind of try to vacuum it up.

9 A. Yeah.

10 Q. Any other -- I think you mentioned one or two,

11 but to your knowledge, to the best of your recollection

12 today, that's the one time that you can think of when

13 the fluid went beyond?

14 A. Oh, I'm sure it's happened other times, too.

15 Q. And if it did, you would have reported it.

16 A. Yeah. Hope so.

17 Q. Now, Mr. Reede, I have before you an emergency

18 administrative order which I have marked as

19 Exhibit 51-A. Have you seen that report before?

20 MS. OSTBY: You want to give him the marked

21 one?

22 A. When did this come out?

23 MS. OSTBY: The question was have you seen it

24 before?

25 A. No.



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1 Q. And I think it came out sometime last week. I  
2 don't know. Mr. Reece, this is a report from the United  
3 States Environmental Protection Agency. And I'm just  
4 going to ask you some questions. This is the agency's  
5 report; but it makes reference to a number of incidents,  
6 and I'm just going to ask you some questions about them.  
7 If you know the answers, that's great. If you don't,  
8 then just let me know, okay?

9 A. Yes.

10 Q. Just by way of background a little more, you  
11 started working with Murphy in 1967. Had you worked for  
12 another oil company prior to 1967?

13 A. I'd worked for contractors.

14 Q. And for how many years was that?

15 A. Probably 10 years altogether, but I worked for  
16 a farmer in there for a couple years, too, so . . .

17 Q. When did you get out of high school?

18 A. 1959.

19 Q. And then did you go straight to work after  
20 high school?

21 A. Yes.

22 Q. So except for a couple of years where you  
23 worked for a farmer, is it fair to say you've been  
24 pretty much employed in the oil industry?

25 A. Yes.

1 company.

2 A. Yeah.

3 Q. When you worked for the contractors, what type  
4 of jobs did you have in the East Poplar Unit?

5 A. Oh, I worked on workover rigs. I

6 roustabouted, carpentered, drove truck, skin cat.

7 Q. When you are involved in workovers, what does  
8 that mean?

9 A. Workover rig? Servicing wells.

10 Q. In terms of a roustabout, what generally do  
11 you do as a roustabout?

12 A. Just about everything, all of the . . . all  
13 kinds of labor in the oilfield.

14 Q. Maintenance?

15 A. Maintenance.

16 Q. Repair?

17 A. Repair, installation.

18 Q. You drove truck.

19 A. Yeah.

20 Q. What would you do when you drove truck?

21 A. Well, I hauled water, and then I drove a winch  
22 truck, rig-up truck.

23 Q. You would haul water. Would you haul water to  
24 the well or from the well?

25 A. Both.

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1 Q. And that employment, again in the oil  
2 industry, was in the East Poplar Unit?

3 A. Some of it was.

4 Q. Aside from the East Poplar Unit, where have  
5 you worked?

6 A. Oh, Glendive and Baker; Buffalo, South Dakota;  
7 Keene, North Dakota; Plentywood.

8 Q. When would you estimate was the first year you  
9 started working in the East Poplar Unit?

10 A. 1955.

11 Q. 1955?

12 A. (Nodding head in the affirmative.)

13 Q. So you started working in the unit before you  
14 got out of high school?

15 A. Yes.

16 Q. And that again was in the oil industry?

17 A. Yes.

18 Q. Would that have been like a summer job?

19 A. Weekends, skip-school days.

20 Q. Do you recall who you worked for in the East  
21 Poplar Unit besides Murphy?

22 A. Well, for contractors.

23 Q. So it wasn't for a company, per se --

24 A. No.

25 Q. -- but for someone who was contracting with a

1 Q. If you're hauling water away from a well, what  
2 type of water are you hauling? Freshwater? Saltwater?  
3 Both?

4 MS. OSTBY: When you say "are you hauling," do  
5 you mean what he did?

6 MR. GALLIK: Right.

7 A. I hauled saltwater, freshwater, everything.

8 Q. (By Mr. Gallik) If you were hauling saltwater  
9 from a rig, where would you haul it to?

10 A. Saltwater disposal.

11 Q. In the 1950s where would you dispose of  
12 saltwater?

13 A. You know, I can't really remember that far  
14 back.

15 Q. What methods are available for disposing of  
16 saltwater that you're aware of?

17 MS. OSTBY: I'm having trouble with your  
18 present tense of all these questions, because you're  
19 asking him about something that happened in the 1950s.  
20 Can you ask him, if that's what you're trying to ask  
21 when you ask him, what he "did" do.

22 MR. GALLIK: I did. He doesn't remember --

23 MS. OSTBY: I object to the form of the  
24 question.

25 MR. GALLIK: -- couldn't remember.

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1 A. I can't really remember what I did. I know I  
2 drove a water truck.  
3 Q. (By Mr. Gallik) Well, since you had been  
4 involved in the oil industry, what methods are you  
5 familiar with with respect to disposing of saltwater?  
6 MS. OSTBY: That's been asked and answered.  
7 Go ahead.  
8 A. Put it in injection wells, saltwater  
9 disposals.  
10 Q. To your knowledge, at any time did you ever  
11 dispose of water in an earthen pit?  
12 A. I can't remember what.  
13 Q. Why would you haul freshwater away from a  
14 well?  
15 A. Well, I don't think I hauled any freshwater  
16 away from it. We hauled freshwater to them drilling  
17 rigs. They need it all the time.  
18 Q. And that would be as part of the drilling  
19 process?  
20 A. Right.  
21 Q. Would you haul saltwater to a well?  
22 A. Yes.  
23 Q. Would that be an injection well?  
24 A. Well, you haul saltwater to a drilling rig  
25 just like you -- They use it for drilling after they get

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1 so deep.  
2 Q. So you can use freshwater or saltwater at a  
3 drilling rig?  
4 A. Well, on the surface you use freshwater. Then  
5 after you get down so deep, you use saltwater.  
6 Q. Why do you use freshwater at the surface?  
7 A. So you don't contaminate any freshwater zones.  
8 Q. Mr. Reede, could you turn to Page 13 of  
9 Exhibit 51-A? Do you need another copy? Oh, you have  
10 it.  
11 MR. MURPHY: Is that exhibit dated?  
12 MS. OSTBY: No. It's not signed or dated.  
13 A. Where is the number at?  
14 Q. Up in the upper left-hand corner, Mr. Reede.  
15 For the record, it's Emergency Administrative Order, US  
16 EPA ...  
17 MS. OSTBY: But for the record, the copy  
18 that's marked as an exhibit is not signed or dated.  
19 MR. GALLIK: Correct.  
20 MR. ROSS: But it is -- Off the record.  
21 (Discussion off the record.)  
22 MR. GALLIK: Did you want to take a break,  
23 Mr. Reede? We've been at it for about an hour.  
24 MS. OSTBY: That's probably a good idea, take  
25 a break each hour.

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1 (Recess taken from 10:58 to 11:11 a.m.)  
2 Q. (By Mr. Gallik) Mr. Reede, I was going to ask  
3 you about Paragraph 21, but as I understand your  
4 testimony, you didn't work for Murphy Oil in the mid  
5 1950s, correct?  
6 A. No.  
7 Q. And as I understand your testimony, you don't  
8 have any recollection of disposing of saltwater during  
9 your employment in the '50s for whatever company you  
10 worked for in pits, correct?  
11 A. What was that again?  
12 Q. During the time you worked in the 1950s in the  
13 East Poplar oilfield, you don't have any recollection  
14 today of disposing of saltwater in earthen pits?  
15 A. Oh, I'm sure they put it in the pits.  
16 Q. Was that a --  
17 MS. OSTBY: The question was do you have  
18 personal --  
19 THE DEPONENT: No.  
20 MS. OSTBY: -- experience --  
21 THE DEPONENT: No.  
22 MS. OSTBY: -- or knowledge of that.  
23 Q. And you followed up by saying you're sure you  
24 put it in pits. Why?  
25 MS. OSTBY: No, he didn't say he's sure he put

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1 it in pits.  
2 MR. GALLIK: No. "They." "They."  
3 Q. (By Mr. Gallik) Why are you sure about that?  
4 A. I guess there was no place else to put it.  
5 Q. Did you ever see any earthen pits while you  
6 were out working in the field?  
7 A. Yes.  
8 Q. And were those often associated with each  
9 well, or would they be placed at various points in the  
10 oilfield?  
11 MS. OSTBY: I'm sorry. I missed the question.  
12 Could you read the question back, please?  
13 Q. Where would the saltwater pits be located,  
14 with each well, or would there be pits located at  
15 various places throughout the oilfield?  
16 A. I don't know for sure, but I think probably at  
17 the tank batteries.  
18 Q. And a tank battery is what, Mr. Reede?  
19 A. Where you separate the water and the oil.  
20 Q. Is there a tank battery associated with each  
21 well?  
22 A. No.  
23 Q. So tank batteries are located at various  
24 places in the unit, correct?  
25 A. Right.



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1 Q. And a tank battery is associated with more  
2 than one well?  
3 A. It depends on the circumstances.  
4 Q. But not every well in the unit has a tank  
5 battery.  
6 A. Right.  
7 Q. But at least for a period of time, the tank  
8 batteries would often have an earthen pit for -- Is that  
9 correct?  
10 A. Right.  
11 Q. And the purpose of the pit was to dispose of  
12 saltwater?  
13 MS. OSTBY: If you know based on your own  
14 knowledge. Don't speculate.  
15 A. Yes.  
16 Q. Based upon your experience in the field, was  
17 there a time -- Strike that. Do you have any knowledge  
18 with respect to these pits in the '50s whether they were  
19 lined or unlined pits?  
20 A. I don't know.  
21 Q. Based upon your experience in the oil  
22 industry, was there a time when pits became lined?  
23 A. Yes.  
24 Q. When was that, if you know?  
25 A. I don't remember for sure.

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1 Q. And do you know what type of material pits  
2 started to become lined with?  
3 A. Some kind of plastic.  
4 Q. Do you know what the purpose of the lining  
5 was?  
6 A. To contain the water.  
7 Q. Before liners were put into pits, do you know  
8 what would happen to the saltwater that was dumped into  
9 pits?  
10 MS. OSTBY: I object that it's beyond the  
11 scope of this witness' expertise.  
12 MR. GALLIK: I'm just asking if he knows.  
13 MS. OSTBY: But it calls for education,  
14 experience that this witness doesn't have, so it's an  
15 objectionable question.  
16 Q. (By Mr. Gallik) You can answer the question  
17 if you know.  
18 A. What was that again?  
19 Q. Once the water is deposited into an unlined  
20 earthen pit, what would happen to the water, if you  
21 know?  
22 A. Some of it would evaporate. Some would soak  
23 away.  
24 Q. Mr. Reede, if you would, turn to Page 15 of  
25 the report, Exhibit 51-A. Paragraph 25, could you read

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1 that to yourself, please?  
2 A. (Looking.) Mm-hmm. (Affirmative response.)  
3 Q. I understand that you didn't work for Murphy  
4 in 1955. Paragraph 25 discusses the first injection  
5 well being the Murphy No. 46 well.  
6 A. Right.  
7 Q. Based upon your work with Murphy, have you had  
8 any experience with Murphy No. 46?  
9 A. No.  
10 Q. Do you know where Murphy No. 46 is located?  
11 A. Yes.  
12 Q. I'm going to hand you an orange pen.  
13 Mr. Reede, could you identify on the map, if it is on  
14 here, where Murphy No. 46 is located?  
15 A. (Marking.)  
16 Q. That's in Section 25 of Township 29 North.  
17 A. 28, isn't it? Or is it 29?  
18 Q. 29 (indicating), correct?  
19 A. Okay. Yeah.  
20 Q. So during the time that you worked for Murphy,  
21 as I understand your testimony, you did not have any  
22 experience working with that particular well?  
23 A. No.  
24 Q. Was it operational when you worked with  
25 Murphy?

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1 A. I don't think it has been, no.  
2 Q. If you could turn your attention to the next  
3 page, Page 16? Paragraph 26, if you could read that to  
4 yourself?  
5 A. (Looking.) Yeah.  
6 Q. Again, I understand you didn't work for Murphy  
7 at the time, but did you live in Poplar in 1956?  
8 A. Yes. I don't know.  
9 Q. Do you have any --  
10 A. Might have been by then.  
11 Q. Do you have any independent knowledge of  
12 having heard about 2 brine water tanks exploding and  
13 catching fire in 1956?  
14 A. I can't remember.  
15 Q. I'm sorry. You can't remember?  
16 A. I can't remember, no.  
17 Q. From your employment with Murphy, do you know  
18 whether this, in fact, happened?  
19 A. I don't know.  
20 Q. So you wouldn't know where these tanks would  
21 be located, then, if it happened.  
22 A. No.  
23 Q. In terms of the brine water tanks exploding  
24 and catching fire, have you had any experience with  
25 brine water being flammable?

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1 A. No.  
2 Q. If you could turn your attention to Paragraph  
3 27, please?  
4 A. (Looking.) Okay.  
5 Q. This paragraph talks about a new well for  
6 injection purposes. Are you familiar with -- And it  
7 talks about it being located in Township 29 North, Range  
8 51 East, Section 30. Are you familiar with that  
9 particular well?  
10 A. Yes.  
11 Q. Is it possible -- Could you take that orange  
12 pen and circle that injection well for us, as well?  
13 A. (Marking.)  
14 Q. For the record, that's located in Section 29  
15 of --  
16 A. No, it's in the southeast of 30, right down in  
17 the corner. You see where the dot is there?  
18 Q. Oh, okay. Right in the very corner of Section  
19 30, correct? Okay. During your employment with Murphy,  
20 did you have any experience with that particular well?  
21 A. Yes.  
22 Q. And was that an operational injection well  
23 throughout your employment with --  
24 A. Yes.  
25 Q. Is it still working today?

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1 A. Yes.  
2 Q. During the time that you were employed with  
3 Murphy just through today, do you have any recollection  
4 of any spills or leaks with respect to the injection  
5 well located in the corner of Section 30?  
6 A. Yes.  
7 Q. How many, would you estimate?  
8 A. I would have no idea.  
9 Q. More than 10?  
10 A. Probably.  
11 Q. Did you have at that location -- Strike that.  
12 In terms of the injection well in Section 30, is that a  
13 stand-alone injection well, or is there an oilwell  
14 located nearby it, as well?  
15 A. Well, it's the only well on the location.  
16 There's other wells quarter mile away.  
17 Q. And just so I'm clear on my understanding of  
18 the layout, when we talked earlier about the cellar and  
19 the earthen berm, is that the same layout that surrounds  
20 an injection well?  
21 A. Not that one, no.  
22 Q. With respect to the injection well in  
23 Section 30, what type of containment mechanisms or  
24 materials are on site?  
25 A. There's a berm there with drains in it, and it

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1 drains into a lined dike. And then it drains into a  
2 lined pit.  
3 Q. Has that been the physical layout of that  
4 particular injection well since you have worked with  
5 Murphy Oil?  
6 A. That's -- It's not like -- It's not been like  
7 it is now all the time, but there's been some sort of  
8 Containment there.  
9 Q. Do you know when the current configuration of  
10 a berm with a drain to a lined dike that runs into a  
11 lined pit was installed at that location?  
12 A. I don't know for sure. Probably 1995.  
13 Q. Do you know what type of containment system  
14 was in place prior to approximately 1995?  
15 A. A dike.  
16 Q. And in terms of the layout of a dike, is that  
17 like a berm around the injection well?  
18 A. Yes.  
19 Q. Is it a lined dike?  
20 A. No.  
21 Q. So if there was a spill, would that spill fall  
22 onto the ground, then?  
23 A. Right.  
24 Q. Did you ever observe a spill at this injection  
25 well prior to 1995?

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1 A. I'm sure I have.  
2 Q. When there was a spill, would that soak into  
3 the ground?  
4 A. Yes.  
5 Q. With respect to your policy -- I just want to  
6 make sure I understand this -- about reporting spills  
7 and leaks to the state and federal agencies, the 25  
8 barrel standard that we discussed earlier -- Do you  
9 recall that?  
10 A. Mm-hmm. (Affirmative response.)  
11 Q. -- is that the same standard that you would  
12 apply to an injection well spill?  
13 A. Yes.  
14 Q. If you have a spill at an unlined location,  
15 how do you know how many barrels of water have spilled?  
16 A. We just estimate it.  
17 Q. Would you need to be on site in order to  
18 estimate how many barrels of water have spilled?  
19 A. Yes, either that or one of my foremen or  
20 pumper. Somebody's there to check it.  
21 Q. Is the injection well manned 24 hours a day?  
22 A. No.  
23 Q. Do you have any recollection or knowledge of  
24 any leaks or spills at this injection well that occurred  
25 while no one was present?



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1 A. Yes.  
2 Q. Do you have an estimate of approximately how  
3 many times that happened?  
4 A. No.  
5 Q. How does one know that there has been a leak  
6 or a spill when you come upon a site like that?  
7 A. Well, you can see it.  
8 Q. Describe. What do you see?  
9 A. Well, you've either got water -- you've got  
10 water leaking out or whatever your substance is you're  
11 handling. Something's leaking out.  
12 Q. So you would look to the injection well to see  
13 if there was a leak?  
14 A. Right.  
15 Q. If it spills out onto the ground, is there any  
16 noticeable difference in looking at the ground?  
17 A. Yes.  
18 Q. What do you see there?  
19 A. Well, it would be wet.  
20 Q. Now, does it also have a -- Does vegetation  
21 continue to grow on that area?  
22 MS. OSTBY: Wait, wait. You're talking about  
23 instantly when they come upon it or --  
24 Q. No, later. Let's talk about later. Does  
25 vegetation often die when there's a spill?

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1 A. Yes.  
2 Q. And have you seen a loss of vegetation at this  
3 particular site?  
4 A. Yes.  
5 Q. Is that sporadic, or does it just stay barren?  
6 A. Well, if you don't do anything for it, it'll  
7 stay barren.  
8 Q. What does an oil company do to help it not  
9 stay barren?  
10 MS. OSTBY: You've asked him what does an oil  
11 company do. Do you mean what does Murphy do.  
12 Q. What does Murphy do?  
13 A. Well, if it's right on the location, we don't  
14 do nothing with it, 'cause we don't want any weeds  
15 growing there, but if it's off the location, we try to  
16 farm it and get it back.  
17 Q. Do you know what the policy or practice has  
18 been with respect to the injection well in Section 30  
19 with respect to either leaving it alone to kill weeds or  
20 the alternative?  
21 A. We kind of left it alone. We pretty well use  
22 that whole location.  
23 Q. At other locations where you work with the  
24 land to help it re-vegetate, what does Murphy do to help  
25 it re-vegetate?

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1 A. Well, the best thing we've found is haul  
2 manure in on them and farm it.  
3 Q. Have you had pretty good success with that?  
4 A. Yes.  
5 Q. Does that require a fair amount of manure, or  
6 does it depend upon the site?  
7 A. It depends upon the ground.  
8 Q. And when you say it depends upon the ground,  
9 what do you mean by that?  
10 A. If it's a sandy-type soil, it doesn't take too  
11 much manure, but if it's a gumbo, heavy gumbo-type soil,  
12 it takes more.  
13 Q. In the East Poplar oilfield, is there both  
14 sandy and gumbo-type dirt in the area?  
15 A. Yes.  
16 Q. And if you know, the sandy material, does that  
17 absorb water quicker than the gumbo?  
18 A. I don't really know if it absorbs it quicker  
19 or not.  
20 Q. In Paragraph 27 it states that the estimated  
21 injection rate into that injection well located in  
22 Section 30 would be 7,000 barrels of water per day.  
23 Based upon your experience with that well, is that a  
24 fair estimate of the amount of water injected into that  
25 well?

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1 A. Probably a little high.  
2 Q. What would be your estimate of the amount of  
3 injection into that well?  
4 A. I can't tell you for sure.  
5 Q. When you estimate how many barrels of water  
6 per day are injected into a well -- This says 7,000.  
7 You thought that was a little high, correct?  
8 A. (Nodding head in the affirmative.)  
9 Q. How many hours would it take to inject 6,000  
10 barrels into an injection well?  
11 A. Well, it depends on what size pump you've got.  
12 Q. Has the size of pumps on this particular well  
13 changed over time?  
14 A. Not for the last 15 years.  
15 Q. Aside from changing the type of spill  
16 containment system on site, have there been any other  
17 changes to the injection well in Section 30?  
18 A. Been new tanks put there about 5, 6 years ago.  
19 Q. And the tanks are for what purpose?  
20 A. To store the saltwater in, to gather the  
21 saltwater in to inject it in the ground.  
22 Q. So as I understand it, then, trucks would haul  
23 saltwater to the tanks?  
24 A. No.  
25 Q. Where would the --

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1 A. We've got a gathering system.  
2 Q. And that gathering system would bring water in  
3 from wells?  
4 A. From the tank batteries.  
5 Q. And is that transported by a pipeline?  
6 A. Right.  
7 Q. Has Murphy ever had any problems with -- Well,  
8 let's talk about the injection well in Section 30. The  
9 pipelines leading into the injection well, how many  
10 pipelines would there be?  
11 A. There's 2 now.  
12 Q. And how many did you have before?  
13 A. Probably 4.  
14 Q. Let's talk about the estimate of 4 pipelines  
15 that are flowing into the tanks. Is that correct?  
16 A. Right.  
17 Q. What's the approximate distance, if you can  
18 tell me, of the 4 pipelines that once existed on that  
19 site from the well to the tank?  
20 A. All totaled?  
21 Q. No, individually.  
22 A. Individual?  
23 Q. Yeah.  
24 MS. OSTBY: You misstated his testimony,  
25 because they don't flow from the well to the tank. They

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1 flow from the tank battery to the injection well.  
2 MR. GALLIK: I'm learning.  
3 MS. OSTBY: I just wanted to be clear.  
4 A. Well, one of them probably 3 miles, one of  
5 them probably 4-1/2 miles, one of them probably a mile,  
6 and then the other one probably 4 miles, 3 miles.  
7 Q. (By Mr. Gallik) Looking at this map, I don't  
8 see any pipelines designated on here, but we're down to,  
9 as I understand it now, 2 pipelines?  
10 A. Right.  
11 Q. And what would be the estimated length of  
12 those 2 particular pipelines?  
13 A. One of them's 2 miles, and the other one's a  
14 quarter of a mile.  
15 Q. Now, the 2 that are in existence today, are  
16 those separate and apart from the 4 that we talked about  
17 earlier?  
18 A. Right.  
19 Q. So the 4 that we talked about a little while  
20 ago were abandoned or discontinued?  
21 A. Right.  
22 Q. Why were they discontinued?  
23 A. Well, we centralized the East Poplar Unit.  
24 There was quite a few tank batteries, and then we  
25 centralized it. And we run most of it into 1 tank

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1 battery down here (indicating) now in that Section 30.  
2 So we got a short pipeline there. That eliminated all  
3 the rest of that. Then we got 1 tank battery up here on  
4 the hill (indicating) that we run in there.  
5 Q. Is that the tank battery in Section 34?  
6 A. Yeah. I think so. Is that 42 Well there?  
7 (Looking.) Oh, it's in -- Where the hell we at here?  
8 Right here (indicating).  
9 Q. So that would be in Section 28.  
10 A. Yeah.  
11 Q. Correct?  
12 A. Yeah.  
13 Q. What type of material are the pipelines made  
14 of today?  
15 A. EO Smith fiberglass.  
16 Q. How long have you been using fiberglass for  
17 pipelines?  
18 A. Since 1976.  
19 Q. Prior to 1976 do you know what the composition  
20 of the pipeline was?  
21 A. Some of them were steel, and some of them were  
22 Transite.  
23 Q. I'm sorry. The second?  
24 A. Transite.  
25 Q. Is that a type of steel, or what is that?

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1 A. It's a cement/asbestos.  
2 Q. With the cement/asbestos and steel pipelines,  
3 did Murphy, to your knowledge, experience any problems  
4 with leaks with those pipelines?  
5 A. Yes.  
6 Q. If a pipeline leaks, is there a policy at  
7 Murphy to report that leak to a state or federal agency?  
8 A. Not if it's a small one, we don't.  
9 Q. What is a small leak that does not require a  
10 report?  
11 A. On water I think it's less than 25 barrels.  
12 Q. Have you ever filed a report with any agency  
13 reporting a pipeline leak in excess of 25 barrels?  
14 A. Yes.  
15 Q. Can you estimate how many times you've done  
16 that?  
17 A. No, I can't.  
18 Q. In terms of Murphy's -- Did Murphy have a  
19 policy with respect to inspecting the steel or  
20 cement/asbestos lines prior to 1976?  
21 A. I don't think so, no.  
22 Q. Several of these lines, it sounds to me, ran  
23 for more than a mile, correct?  
24 A. Right.  
25 Q. And we've just been talking about the



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1 injection well in Section 30, correct?  
2 A. Right.  
3 Q. I take it that Murphy had other injection  
4 wells in the East Poplar Unit in the 1970s, for example?  
5 A. Right.  
6 Q. Is it fair to say that the other injection  
7 wells also had associated with that well pipelines?  
8 A. Right.  
9 Q. And did some of those pipelines for other  
10 wells also exceed more than, for example, a half a mile  
11 in length?  
12 A. Right.  
13 Q. How would Murphy know if a pipeline had a  
14 leak?  
15 A. Well, the water will surface on you.  
16 Q. When you say the water will surface on you,  
17 what do you mean by that?  
18 A. The water will come to the surface.  
19 Q. Of the pipe?  
20 A. Of the ground.  
21 Q. Of the ground? These pipes were underground?  
22 A. Right.  
23 Q. At what depth were they buried?  
24 A. They started out about 6 foot deep. Since  
25 then we've moved them up to about from 3 to 4 feet deep.

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1 Q. If a pipe is buried 6 feet under the ground  
2 and you have a policy of reporting spills of over 25  
3 barrels, how would you know how many barrels have leaked  
4 from a pipe?  
5 A. You estimate it.  
6 Q. Correct me if I misunderstand your testimony,  
7 but with respect to a policy about inspecting a  
8 pipeline, there was no policy. Is that correct?  
9 A. Well, we drive the surface. We inspect the  
10 surface of the pipelines.  
11 Q. And how often would you do that?  
12 A. Pretty regular.  
13 Q. Was there a written policy about how often you  
14 would do that?  
15 A. No.  
16 Q. When you say pretty regular, is there any more  
17 definition that you can give to that?  
18 A. No.  
19 Q. Were these pipelines located near or next to  
20 roads?  
21 A. Not to start with, no.  
22 Q. When you say not to start with, did the roads  
23 come in later?  
24 A. No. Any new pipelines we put in, we tried to  
25 follow the roadway with them.

1 Q. And is that a policy of Murphy's, to try to  
2 install the pipes next to or near a road?  
3 A. My policy.  
4 Q. When did that start, your policy?  
5 A. About 25 years ago.  
6 Q. About the same time that you switched over to  
7 a different type of material for pipes?  
8 A. Yes.  
9 Q. So when the -- It sounds like about 25 years  
10 ago in about 1976 you replaced -- Did you replace all of  
11 the pipelines or just some of them?  
12 A. Just some of them.  
13 Q. And was there a reason why you switched from  
14 steel or cement/asbestos to the fiberglass pipe?  
15 A. Well, there's no corrosion on fiberglass pipe.  
16 Q. Have you experienced any leaks, to your  
17 knowledge, with the fiberglass pipe?  
18 A. Yes.  
19 Q. I can generally understand why a steel pipe  
20 would corrode and leak. With respect to a fiberglass  
21 pipe, what types of problems have you experienced that  
22 cause a leak with that pipeline?  
23 A. Well, sometimes you have a flaw in the pipe.  
24 And then other times, if you didn't get your ditch  
25 cleaned out good enough, you might have a rock sitting

1 under there, and it might rub on that rock.  
2 Q. So in addition to replacing -- Strike that.  
3 Did you replace -- I may have asked you. Did you  
4 replace all pipes or just some pipes?  
5 A. Just some.  
6 Q. Was there a methodology that you employed to  
7 replace some, but not all, pipes?  
8 A. Well, if you're not having any trouble with  
9 them, why, we don't replace them.  
10 Q. So the ones that you were able to visually see  
11 leaks in the past, would that be the pipelines that you  
12 would replace?  
13 A. Yes.  
14 Q. Since you've gone to the fiberglass pipe,  
15 would you estimate the number of leaks that you've had  
16 has decreased?  
17 A. Has what?  
18 Q. Decreased?  
19 A. Yes.  
20 Q. So is it fair to say that when you replaced  
21 the steel and asbestos pipes, did you make an effort to  
22 try and relocate those pipes next to a road?  
23 A. When it's possible, yes.  
24 Q. And why do you like to try to locate it next  
25 to a road?

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1 A. So it's easy to see, easy to monitor.  
2 Q. Does Murphy have a master map, for lack of a  
3 better word, that depicts the location of its various  
4 pipelines in the Poplar unit?  
5 A. Well, I've got a map that I made.  
6 Q. That's a map that you keep up in Poplar?  
7 A. Yes.  
8 Q. Does that map also indicate those lines that  
9 have been replaced with steel -- I'm sorry -- with  
10 fiberglass?  
11 A. Well, that map I've got shows the current  
12 pipelines as they are.  
13 Q. But it doesn't indicate which ones are  
14 fiberglass or steel?  
15 A. No.  
16 Q. Aside from the records that are submitted --  
17 I'm sorry. Aside from the reports that are submitted to  
18 the State, if you estimate a leak in excess of 25  
19 barrels, are there any other records that you keep  
20 internally to document leaks with respect to pipelines?  
21 A. We have a Murphy spill report we fill out.  
22 Q. So that's an internal form?  
23 A. Yes.  
24 Q. And what type of information do you put on the  
25 Murphy spill report form?

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1 A. Well, the location and what we figured caused  
2 the leak and what we done to repair it, what we done  
3 with the fluid that leaked.  
4 Q. In terms of repairing a leak that you've  
5 observed near a pipeline, I take it you have to dig out  
6 the dirt, find the leak, and patch it.  
7 A. Right.  
8 Q. In terms of repairing the soil, is that the  
9 type of situation where you might haul in manure?  
10 A. Right.  
11 Q. Anything else that you might do in that  
12 situation?  
13 A. Not now, no.  
14 Q. What did you do before? When you say not now,  
15 was there something that you did differently?  
16 A. Well, we tried some of that gypsum one time.  
17 I don't know if that's the proper term for it or not.  
18 We hauled quite a few semi loads in. That didn't seem  
19 to work.  
20 Q. Do you know what the purpose of the gypsum  
21 was?  
22 A. Well, it's supposed to be to hold the ground  
23 apart, I think, so the water'll go through.  
24 Q. You didn't have much success with that?  
25 A. None.

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1 Q. In terms of documenting efforts to repair or  
2 fix the soil, for lack of a better word, does Murphy  
3 maintain records on those types of efforts that were  
4 made in the past?  
5 A. No.  
6 Q. I take it these pipelines crossed property  
7 owned by other people at times?  
8 A. Yes.  
9 Q. Did you ever receive any reports from the  
10 property owner or lessee that there was a leak?  
11 A. Yes.  
12 Q. Does Murphy keep records with respect to  
13 reports from landowners or lessees of leaks?  
14 A. No.  
15 Q. Backing up a little bit, with respect to the  
16 injection well in Section 30, your testimony was that  
17 it's now bermed, in a lined dike with a lined pit. Did  
18 that also become lined in a -- Oh, you said that was  
19 lined in about 1995?  
20 A. I think so. The berm's not lined.  
21 Q. Just the pit.  
22 A. Yeah. And the tank facility. It's rigged up  
23 a little different than the rest of them.  
24 Q. Was there a reason why you lined the pit in  
25 1995?

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1 A. Well, the pit was lined before 1995. The  
2 facility where the tanks are, we've got a dike around  
3 the tanks, and it's lined, too. So if anything leaked  
4 out of the tank, it'd run into this lined berm and off  
5 there.  
6 Q. I'm just a little bit confused. Do you have  
7 an estimate of when the lining took place?  
8 A. About '95.  
9 Q. Was there a reason for the lining going in?  
10 A. Well, we just do things different now.  
11 Q. Was that a decision that Murphy made to do on  
12 its own, or did some agency tell you to put a liner in?  
13 A. Murphy did that.  
14 Q. Did Murphy install a liner on this well alone,  
15 or did they also put liners in on other injection wells  
16 at the same time?  
17 A. Well, every installation's different. Some of  
18 them have got that cellar there, and that cellar drains  
19 out into a lined pit. So they're all different.  
20 Q. So in terms of why Murphy did something, you  
21 don't know. I mean in terms of why Murphy lined a pit  
22 or didn't line a pit or when it did it you don't know.  
23 You're not the person that made that decision?  
24 A. Oh, I'm sure I was in on it.  
25 Q. With respect to this particular injection well



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1 in Section 30, do you know why the decision was made to  
2 line it?

3 A. Well, we just thought that was the thing to  
4 do.

5 Q. So just so I'm clear on this, that was a --  
6 you weren't asked to do that by any government agency.

7 A. No. When you're talking about the pit there,  
8 we're not talking about the emergency pit. We're  
9 talking the dike around the tank is lined.

10 Q. I understand.

11 A. It's not the pit.

12 Q. I understand. And correct me on that, 'cause  
13 I --

14 A. Yeah.

15 MS. OSTBY: The pit was lined before that.

16 THE DEPONENT: Yeah, the pit was lined a long  
17 time ago. This is the only berm we've got that's lined.

18 Q. I understand.

19 A. Talk too much, forget what we're talking  
20 about. Around and around we go.

21 Q. Mr. Reece, if you could turn your attention to  
22 Page 17, Paragraph 30? Could you read that to yourself?

23 A. (Looking.) Yes?

24 Q. As part of your duties and responsibilities as  
25 the district manager, do you have any knowledge into

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1 what formation you are injecting saltwater, geologic  
2 formation you're injecting saltwater into?

3 MS. OSTBY: You're not talking about with  
4 respect to this paragraph now.

5 MR. GALLIK: No, just in general.

6 MS. OSTBY: You're just asking him --

7 MR. GALLIK: Just in general.

8 A. Well, we inject water into Dakota Sand, the  
9 Nisku, part of the Madison, and the Judith River.

10 Q. So you're familiar enough with where you  
11 inject that you can at least -- you know which  
12 formations you're injecting into?

13 A. Yeah.

14 Q. Now, Paragraph 30 talks about injecting into  
15 the Dakota Sandstone Formation, correct?

16 A. Right.

17 Q. Through Wells No. 46 and 59?

18 A. Right.

19 Q. Have we identified both of those wells on  
20 Exhibit 51-B?

21 A. Just 46, I think.

22 Q. Do you know where Well No. 59 is located?

23 A. Yes.

24 Q. Would you circle that in orange, please?

25 A. Well, I guess . . . It's got the number wrote

1 down there (indicating), but I -- Would that . . .

2 Q. Well --

3 A. I'll just make it right there (marking). It's  
4 got No. Murphy 59, and it's crossed off.

5 Q. And that's in Section 4 of Township 28 North?

6 A. Yeah.

7 Q. Is that injection well -- Is that an injection  
8 well that we're talking about there in Section 4?

9 A. Used to be.

10 Q. That's no longer operational?

11 A. No, it's plugged and abandoned.

12 Q. Was that operational while you were employed  
13 with Murphy?

14 A. I don't think so.

15 Q. So Well No. 46 --

16 A. Right there.

17 Q. Right here -- Is that -- Was that -- Is that  
18 still operational? I can't remember your testimony.

19 A. No, I don't think so. It hasn't been operated  
20 since I've been out there.

21 Q. Mr. Reece, if you could turn your attention to  
22 Page 18? Paragraph 32 at the bottom. It spills over  
23 onto Page 19.

24 A. (Looking.) Okay.

25 Q. The question I have -- Again, I understand

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1 that you weren't employed by Murphy in 1961, but they  
2 talk about water breakouts at wells. Is a water  
3 breakout associated with only injection wells?

4 A. Oh, I imagine it could be producing wells,  
5 too.

6 Q. Could you explain to me in layman's terms what  
7 a water breakout is?

8 A. No, I never heard about that before.

9 Q. So that's a term that you're not familiar  
10 with.

11 A. I've never heard it before.

12 Q. Mr. Reece, if you could turn your attention to  
13 Page -- or I'm sorry -- Paragraph 34, which is located  
14 at the bottom of Page 19. That also spills onto  
15 Page 20.

16 A. (Looking.) Okay.

17 Q. Again, I recognize that you weren't employed  
18 with Murphy in 1961, but do you have any knowledge of  
19 the Akers well that's being discussed in that particular  
20 paragraph?

21 A. Not really, no.

22 Q. So not at all?

23 A. No.

24 Q. So you don't know where that would be located.

25 A. I knew where the Akers place was, but I don't

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1 know about any water well.  
2 Q. In terms of where the Akers lived, is that  
3 located on this map?  
4 A. Yeah.  
5 Q. Can you roughly --  
6 A. I don't know --  
7 Q. -- roughly identify for me where the Akers  
8 lived?  
9 A. Down here someplace (marking).  
10 Q. You've put a little orange dot --  
11 A. Well, may have been in this section  
12 (indicating).  
13 Q. Section --  
14 A. 21.  
15 Q. Section 21 of Township 29 North?  
16 A. There was a spring there that he got the water  
17 out of when I was around there right there by his barn  
18 that run into the corral.  
19 Q. This dot, Mr. Reede, that you put kind of on  
20 the section line between 22 and 21, that's your best  
21 estimate of where their house is located.  
22 A. Yeah.  
23 Q. You don't know where the well would be  
24 located.  
25 A. I didn't ever remember a well. I was around

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1 there when I was a kid, but we always got the water out  
2 of that spring.  
3 Q. So you were a kid when the Akers lived out in  
4 the unit, correct?  
5 A. I don't think he ever lived there. They just  
6 had a cow camp there.  
7 Q. Mr. Reede, we'll talk about one more  
8 paragraph. Then we can break for lunch. Would you turn  
9 your attention to Page 22, Paragraph 38?  
10 A. (Looking.) Okay.  
11 Q. I see the date on this entry is September the  
12 7th of 1971. I take it at that time you were employed  
13 by Murphy, correct?  
14 A. Right.  
15 Q. And just so you know, there are a number of  
16 other entries that we'll talk about later on that make  
17 reference to Mr. Virgil Pauli. During the time that  
18 you've worked with Murphy, did you have any interaction  
19 with Mr. Pauli?  
20 A. I don't know.  
21 Q. You don't recall, or you don't know?  
22 A. I don't know.  
23 Q. So in terms of the reference made in this  
24 paragraph about a letter expressing concern about  
25 potential to pollute, is that the first that you've

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1 heard of that?  
2 A. Yes.  
3 MR. GALLIK: Well, this is a good time to  
4 break for lunch.  
5 MS. OSTBY: Okay.  
6 (Recess taken from 12:00 to 1:26 p.m.)  
7 Q. (By Mr. Gallik) Just a couple follow-up  
8 questions on the pipelines, Mr. Reede. Did Murphy ever  
9 transport any -- Let me strike that. The pipelines that  
10 we were talking about today I assume were carrying  
11 saltwater?  
12 MS. OSTBY: Do you mean the pipelines to the  
13 disposal wells that we were talking about?  
14 A. Yeah, yeah.  
15 Q. Did Murphy ever transport saltwater for any  
16 other oil company?  
17 A. I don't believe so.  
18 Q. One remedy that you mentioned with respect to  
19 leaks would be to patch the leak. Was there ever a time  
20 when the remedy would include replacing portions of the  
21 line with fiberglass?  
22 A. Oh, yeah, yeah.  
23 Q. Did that become the preferred remedy at some  
24 point in time? As opposed to just leaking, you would  
25 replace line?

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1 MS. OSTBY: As opposed to just what?  
2 MR. GALLIK: Patching.  
3 A. Yes, if we had, you know, multiple leaks, why,  
4 then we'd always replace the line, yeah.  
5 Q. (By Mr. Gallik) Do you have an estimate of  
6 approximately how many miles of pipeline Murphy controls  
7 in the Poplar unit?  
8 A. I wouldn't have any guess.  
9 Q. Mr. Reede, returning to the EPA report,  
10 Paragraph 39, if you could take a look at that at  
11 Page 22?  
12 A. (Looking.) Okay.  
13 Q. Do you know Mr. Lien?  
14 A. Yes, I did.  
15 Q. You speak in the past tense. Is he . . . ?  
16 A. Passed on.  
17 Q. Okay. Mr. Lien, did he complain about  
18 contaminated groundwater on his property, to your  
19 knowledge?  
20 A. Yes, he did.  
21 Q. Aside from Mr. Lien and the individuals that  
22 we represent in this particular litigation, do you have  
23 any knowledge of any other person complaining about the  
24 quality of their drinking water in the East Poplar Unit?  
25 A. Not in the unit, no.



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<p>1 Q. Outside of the unit?</p> <p>2 A. Yes.</p> <p>3 Q. Can you name a couple of people that have</p> <p>4 complained?</p> <p>5 A. Well, Lyle Lockman.</p> <p>6 Q. Is his property on this map in front of us</p> <p>7 here?</p> <p>8 A. Yeah.</p> <p>9 Q. Where would Mr. -- Is it Lockman?</p> <p>10 A. Yes.</p> <p>11 Q. Where would his property be located?</p> <p>12 A. Right here (marking).</p> <p>13 Q. You've put a little orange dot in Section 22</p> <p>14 of Township 28 North?</p> <p>15 A. Yeah.</p> <p>16 Q. Yes? Is that correct, sir?</p> <p>17 A. Yes.</p> <p>18 Q. In terms of what the East Poplar Unit is, when</p> <p>19 I refer to the unit, does that mean to you the Murphy</p> <p>20 portion of the unit?</p> <p>21 A. Yes. That's all it is, is the Murphy -- The</p> <p>22 Murphy stuff is the unit. Any outside construction is</p> <p>23 out of the unit.</p> <p>24 Q. Is Mr. Lockman still alive?</p> <p>25 A. Yes.</p>	<p>1 USGS and Murphy with respect to earthen pits being used</p> <p>2 for disposal of saltwater?</p> <p>3 A. No. I don't remember this letter.</p> <p>4 Q. I'd like to turn your attention to Paragraph</p> <p>5 46, sir, Page 59.</p> <p>6 A. (Looking.) Okay.</p> <p>7 Q. That paragraph makes reference to a B. Melcar.</p> <p>8 Did I pronounce that correctly?</p> <p>9 A. "Melcar."</p> <p>10 Q. "Melcar"? Did we talk about Mr. Melcar this</p> <p>11 morning?</p> <p>12 A. Yes.</p> <p>13 Q. And what was his position?</p> <p>14 A. District manager.</p> <p>15 Q. So he's the person that you replaced. Is that</p> <p>16 correct?</p> <p>17 A. Right.</p> <p>18 Q. Do you recall having any conversation with</p> <p>19 Mr. Melcar about the earthen pits that are discussed in</p> <p>20 Paragraph 46?</p> <p>21 A. Well, I can -- I don't remember this</p> <p>22 conversation, no. At that time the pits were discussed,</p> <p>23 and most of them were covered.</p> <p>24 Q. And when you say that they were covered, does</p> <p>25 that mean that they were covered with dirt?</p>
Page 75	Page 77
<p>1 Q. Turning your attention to Paragraph 40 at</p> <p>2 Page 59, sir, if you could read that to yourself?</p> <p>3 A. (Looking.) Okay.</p> <p>4 Q. You were employed with Murphy in 1974,</p> <p>5 correct?</p> <p>6 A. Right.</p> <p>7 Q. Now, this paragraph makes reference to an</p> <p>8 inspection conducted by the USGS in November of 1974.</p> <p>9 Do you have any personal knowledge of that inspection</p> <p>10 that's referred to?</p> <p>11 A. No.</p> <p>12 Q. Do you have any personal knowledge of the</p> <p>13 letter that's referred to in that paragraph?</p> <p>14 A. No.</p> <p>15 Q. Would you turn your attention to Paragraph 41,</p> <p>16 please?</p> <p>17 A. (Looking.) Okay.</p> <p>18 Q. As I recall your testimony, it was in about</p> <p>19 1975, I believe, that you became a foreman? Is that</p> <p>20 correct?</p> <p>21 A. Yes.</p> <p>22 Q. This paragraph talks about a letter to Murphy</p> <p>23 talking about some oilfield practices. Based upon your</p> <p>24 employment with Murphy, does this paragraph refresh your</p> <p>25 recollection as to any so-called agreement between the</p>	<p>1 A. Yes.</p> <p>2 Q. So they would no longer be used?</p> <p>3 A. Right.</p> <p>4 Q. Do you recall why they were covered with dirt?</p> <p>5 A. Well, because we didn't need them anymore.</p> <p>6 Q. Because you had an alternative system of</p> <p>7 disposing --</p> <p>8 A. Well, at that time -- That's about the time we</p> <p>9 started the centralization deal. So we didn't -- But</p> <p>10 these tank batteries, these pits they're talking about,</p> <p>11 we didn't have anything anymore to put in them.</p> <p>12 Q. And the centralization that you are talking</p> <p>13 about would be the pipelines coming into a tank battery</p> <p>14 for disposal of water at that location.</p> <p>15 A. Well, your produced fluid, too, would all come</p> <p>16 into that central battery.</p> <p>17 Q. If you could turn your attention to Paragraph</p> <p>18 47, please?</p> <p>19 A. (Looking.) Okay.</p> <p>20 Q. Do you recall a memorandum that's a statement</p> <p>21 to the effect that use of emergency pits had to be</p> <p>22 reported to the USGS in Billings?</p> <p>23 A. I don't remember that, no.</p> <p>24 Q. Did you recall or do you recall sitting here</p> <p>25 today that the notice of Lessee No. 2B also required</p>

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1 emergency pits to be emptied of all contents within 48  
2 hours following their use?

3 A. I don't remember that, no.

4 Q. Would you please turn your attention to  
5 Paragraph 48, sir?

6 A. (Looking.) Okay.

7 Q. Now, this entry refers to August 9th of 1983.  
8 At that time you were the district manager. Is that  
9 correct?

10 A. Right.

11 Q. It indicates in the first sentence that Murphy  
12 Oil company reported on the well EPU No. 1-D. Do you  
13 see that in the first sentence?

14 A. Yes.

15 Q. And is that the well that you've circled in  
16 orange in Section 30?

17 A. Yes.

18 Q. The well makes -- Or I'm sorry. The paragraph  
19 makes reference to several problems over the years, many  
20 of which preceded your employment. Starting in December  
21 of '79 and in 1980, there are some other problems that  
22 are mentioned with respect to that injection well. Do  
23 you have any recollection of the particular issues in  
24 1979 and '80 that are discussed in this paragraph?

25 A. Yes.

Page 79

1 Q. Do you recall the replacement of the injection  
2 tubing in December of 1979?

3 A. I don't see where the injection tubing was  
4 replaced in 1979.

5 Q. Look at the bottom of Page 59,  
6 "... including the replacements of its injection  
7 tubing in October 1961, July 1962, February 1968, and  
8 December 1979." (Indicating.)

9 A. Oh, yeah.

10 Q. Do you have any --

11 A. I don't remember replacing that tubing, no.

12 Q. What is injection tubing?

13 A. Well, that's a tubing that you pump your brine  
14 down, saltwater down.

15 Q. Into the disposal zone?

16 A. Right.

17 Q. What sort of problems would exist to cause the  
18 injection tubing to be replaced?

19 A. I don't -- Well, you could have a hole in it,  
20 or it could part. I don't just know what happened, you  
21 know, at them times.

22 Q. I understand, but in terms of replacement of  
23 injection tubing, I take it that could happen on any  
24 injection well.

25 A. Yeah.

Page 80

1 Q. Is that typically associated with because you  
2 may have a leak?

3 A. Well, if you replace it, I imagine you had a  
4 leak in it, yeah.

5 Q. How would one know when there is a leak in an  
6 injection tubing?

7 A. Well, we've got a packer set in them above the  
8 injection zone, and if you get pressure on your annulus,  
9 you've got a leak someplace, either the packer give up  
10 or the tubing give up.

11 Q. So it sounds like you may have a couple of  
12 possibilities in terms of replacement, correct?

13 A. Right.

14 Q. Is there some sort of systematic analysis that  
15 you would go through in terms of determining whether  
16 it's the tubing as opposed to the packer?

17 A. Well, you ... Not -- It's -- You pull it  
18 out. Sometimes you can -- might visually see your hole  
19 maybe in your tubing or in your packer, or the rubber's  
20 all washed off your packer. That might be an  
21 indication. When you run it back in the hole, why, you  
22 run a new packer, and you -- We always hydro-test our  
23 tubing in the hole.

24 Q. This paragraph indicates -- And, again, we  
25 don't have the backup here -- that the tubing was

Page 81

1 replaced in '61, '62, '68, and '79. From your  
2 experience in the oilfield, is that uncommon, for an  
3 injection well to have the tubing replaced that often?

4 A. Well, I've never seen it replaced that often.

5 Q. What is injection tubing made of, what type of  
6 substance?

7 A. Either steel or fiberglass.

8 Q. Injection tubing these days, would it be  
9 fiberglass?

10 A. Or steel.

11 Q. Or steel?

12 A. Yeah.

13 Q. Reasons for I think you said leaks or ...  
14 for a leak in an injection tubing, would that be like  
15 corrosion?

16 A. Yeah.

17 Q. Do you recall in February of 1980 the 5-1/2  
18 casing liner was cemented to the 7-inch casing because a  
19 casing leak had been found in the 7-inch casing?

20 A. Yes.

21 Q. Were you personally involved in replacement of  
22 that --

23 A. Yes.

24 Q. -- liner? How did -- To your knowledge, do  
25 you recall how it came to your attention that you had

Page 82

1 a -- Was there a casing leak?  
2 A. Yes.  
3 Q. And how did that come to your attention, that  
4 there was a leak?  
5 A. Well, I imagine we had a drop in tubing  
6 pressure.  
7 Q. Now, it says in the next sentence that in  
8 February of 1980 the 4-1/2 tubing was discovered to have  
9 parted and was replaced. Do you recall that?  
10 A. I don't remember that, no.  
11 Q. When tubing parts, what does that mean?  
12 A. Comes apart.  
13 Q. Just in the middle, or does it come apart at  
14 the seam or . . . ?  
15 A. Oh, both.  
16 Q. Would you please turn your attention to  
17 Paragraph 49?  
18 A. (Looking.) Yes.  
19 Q. Do you recall the incident that's discussed  
20 generally in this paragraph?  
21 A. Not really, no. I can remember talking to  
22 Vina Smith, but I didn't know it was that well or what.  
23 I talked to her quite a few times over the years.  
24 Q. And Vina Smith works for the BIA?  
25 A. No, I think she works for the tribe.

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1 Q. And she's -- Or this paragraph talks about a  
2 reserve pit at Well EPU No. 111. Do you know where  
3 that's located on this map?  
4 A. Yes.  
5 Q. Could you circle that in orange for me?  
6 A. (Marking.)  
7 Q. That's in Section 12?  
8 A. Yeah. Here's 11 (indicating), and there's 7  
9 (indicating), so it's got to be 12.  
10 Q. This paragraph talks about a reserve pit being  
11 full of water and having no berm. Just so I'm clear on  
12 this, you don't have a recollection of this incident?  
13 A. Hmm-mm. (Negative response.)  
14 Q. The next sentence talks about you,  
15 Superintendent Ray Reede, reporting on June 26 that the  
16 pit's water had been pumped out and the berm on the  
17 south side had been repaired. Assuming that you did  
18 report that, how would you have reported that to the  
19 BLM?  
20 A. I don't know. Maybe with a letter or a sundry  
21 notice or with a phone call.  
22 Q. Do you recall during your tenure having to  
23 pump water out of a reserve pit on more than one  
24 occasion?  
25 A. Oh, yeah, we pumped water out of every reserve

Page 84

1 pit when we get done with it.  
2 Q. And once the water is pumped out, where is  
3 that disposed? In the injection well?  
4 A. Yeah.  
5 Q. Would you turn your attention to Paragraph 50?  
6 A. (Looking.) Okay.  
7 Q. Does the BLM periodically travel out to the  
8 unit and inspect your operations?  
9 A. Yes.  
10 Q. And when that happens, do you typically  
11 accompany them?  
12 A. No.  
13 Q. Is there anyone from Murphy that accompanies  
14 them?  
15 A. Oh, occasionally if we're, you know, in the  
16 area or they want to show us something or . . .  
17 Q. This paragraph talks about an inspection in  
18 October of 1988. Do you have any personal recollection  
19 or knowledge of this inspection?  
20 A. I can't remember it, no.  
21 Q. If you could turn your attention to  
22 Paragraph 52?  
23 A. (Looking.) Okay.  
24 Q. Again, this is referring to another  
25 inspection. Do you have any recollection today of the

Page 85

1 incident that's summarized in Paragraph 52?  
2 A. I don't remember that, no.  
3 Q. Could you please turn your attention to  
4 Paragraph 53?  
5 A. (Looking.) Okay.  
6 Q. Have you received in your position as  
7 superintendent with Murphy Oil written orders from the  
8 Montana Bureau of Land Management with respect to  
9 various oil production or maintenance issues?  
10 A. Yes.  
11 Q. And I take it those orders are in writing?  
12 A. Yes.  
13 Q. And the orders, do they tell you to do  
14 something or not do something?  
15 A. Yes.  
16 Q. Do you recall receiving the written order  
17 that's referred to in this particular paragraph?  
18 A. Yes.  
19 Q. It indicates that there was a pit that was in  
20 a state of disrepair. At least that's what the  
21 paragraph says. What type of pit, if you know, are they  
22 talking about here?  
23 A. That little pit I was telling you about that  
24 we had our concrete cellar around the wellhead and then  
25 the drain going out to that pit?



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1 Q. Have we marked on the map Well EPU No. 110?

2 A. (Shaking head in the negative.)

3 Q. (Indicating.)

4 A. That would be this one (marking ).

5 Q. That's in Section 29?

6 A. Mm-hmm. (Affirmative response.)

7 Q. Do you recall what the BLM's complaint was

8 with respect to the alleged state of disrepair?

9 A. Well, I don't remember everything, but it says

10 here we had some oil in the pit. And I think the fence

11 was down on the pit.

12 Q. Do you have any recollection as to whether or

13 not that particular pit was lined?

14 A. Was what?

15 Q. Lined.

16 A. No, it wasn't.

17 Q. It was not lined.

18 A. No.

19 Q. Following this written order from the BLM, was

20 that particular pit lined in addition to fixing the

21 berm?

22 A. No. The oil was picked up, and the pit was

23 covered.

24 Q. So it's no longer operational.

25 A. Right.

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1 Q. If you'd turn your attention to Paragraph 54?

2 A. (Looking.) Okay.

3 Q. This may not be within your area of knowledge,

4 but can you tell me what a seismic profile is?

5 A. I don't know what a profile is. I know what

6 it is when they seismograph.

7 Q. And what is that when they seismograph?

8 A. Well, they -- I don't really know. They get

9 some kind of data back from shockwaves or dynamite

10 or . . . they record.

11 Q. Since you've been employed with Murphy, are

12 you aware of seismic profiling taking place in the East

13 Poplar Unit?

14 A. Yeah, they've done some seismic work out

15 there.

16 Q. The paragraph indicates that seismic work

17 likely used either subsurface detonation of dynamite or

18 vehicles that induced seismic shockwaves into the

19 subsurface. Do you know from your own knowledge of

20 working up there whether Murphy used dynamite or

21 vehicles?

22 A. They used them thumper machines.

23 Q. What is a thumper a machine?

24 A. Well, it's -- I think it's the one they're

25 talking about inducing seismic shockwaves into the

Page 88

1 subsurface.

2 Q. Is that a pretty big machine?

3 A. No, it's a tandem truck.

4 Q. And this indicates that there was a seismic

5 profile done in the winter of 1995. Do you have any

6 knowledge of other seismic profiling being done aside

7 from the winter of 1995?

8 A. Yes, there was a seismograph line run through

9 there sometime, probably in the late '70s or early '80s.

10 And I don't know who did it, but I'm pretty sure Murphy

11 didn't do it.

12 Q. When one of these thumpers induces seismic

13 shockwaves, have you been present when that's happened?

14 A. Yes.

15 Q. Standing on the ground, can you notice that

16 there's a seismic shockwave that goes into the

17 subsurface?

18 A. I don't know if you can -- it's a seismic

19 shockwave, but you can feel it.

20 Q. So aside from the 1995 shockwave and the one

21 that you referred to in the late '70s or early '80s, do

22 you have any other recollection of other seismic

23 profiling?

24 A. No.

25 Q. Is the reason that you recall the seismic

Page 89

1 profiling in the late '70s or early '80s because you

2 were present and the earth moved?

3 A. No. I can just remember them going through

4 there.

5 Q. And when you say them going through there, did

6 they go through the Murphy unit or the East Poplar

7 oilfield in general?

8 A. The East Poplar oilfield. I don't know where

9 all they went. They went outside the unit, too, I'm

10 sure. I didn't pay much attention to it.

11 Q. Now, Mr. Reede, at the last sentence of

12 Paragraph 54, talks about the Judith River Formation.

13 Do you see that there?

14 A. Yes.

15 Q. Do you know what the Judith River Formation

16 is?

17 A. Yes.

18 Q. What is that?

19 A. It's a water formation that we've injected

20 water into.

21 Q. This paragraph indicates that it was, quote,

22 "... known to be highly pressurized due to its heavy

23 use as an injection zone." Is the term "highly

24 pressurized" something that you're familiar with?

25 A. I know what highly pressurized means, but I

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1 don't think that Judith River's highly pressurized.  
2 Q. Why is that?  
3 A. Because the pressure's not high on it.  
4 Q. Is there a way of -- ways of testing a  
5 formation to see if it is highly pressurized?  
6 A. Yeah, put a gauge in.  
7 Q. You drop the gauge down into the formation?  
8 A. No, you put the gauge on at the surface.  
9 Q. And has that been done, to your knowledge?  
10 A. Yes.  
11 Q. Has Murphy done that?  
12 A. Yes.  
13 Q. Is that something that's regularly done by  
14 Murphy?  
15 A. Yes.  
16 Q. How often is that done?  
17 A. Probably daily.  
18 Q. And does the pressurization change on a daily  
19 basis?  
20 A. Not really, no.  
21 Q. Is there a point where if the gauge says we've  
22 reached a certain pressurization level that you're  
23 supposed to stop?  
24 A. Well, the Environmental Protection Agency  
25 gives you a high pressure. You can't go over that.

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1 Q. Do you know what that is?  
2 A. No, I don't, not offhand.  
3 Q. Do you know if that EPA level that you're  
4 referring to has ever been surpassed in the Judith River  
5 Formation?  
6 A. Not on our stuff, I don't think it has.  
7 Q. If you could turn your attention to Paragraph  
8 55?  
9 A. (Looking.) Okay.  
10 Q. Do you recall the incident that's referred to  
11 in Paragraph 55?  
12 A. Yes.  
13 Q. What happened when you called in October of  
14 1998 to report a casing leak?  
15 A. We had pressure on the 5-1/2 casing.  
16 Q. And it's Oilwell EPU No. 16. Is that correct?  
17 A. Right.  
18 Q. Can you identify that for me on the map?  
19 A. (Marking.)  
20 Q. That's in Section 33?  
21 A. Yes.  
22 Q. Township 29 North?  
23 A. Yeah.  
24 Q. It says that the leak was discovered at a  
25 depth of 33 to 75 feet below ground surface. Do you

Page 92

1 recall how you discovered that there was a casing leak?  
2 A. We had pressure on the 5-1/2 casing.  
3 Q. And in response you called -- in partial  
4 response you called the BLM, correct?  
5 A. Right.  
6 Q. And what was the reason for calling the BLM?  
7 A. Well, you have to notify them if you're going  
8 to do any work on any federal lease.  
9 Q. And is this well located on a -- Well, it's  
10 obviously located on a federal lease, but on any of the  
11 other injection wells, for example, if you have a leak  
12 that's being repaired, would that trigger a notice to  
13 the BLM, as well?  
14 A. Probably not now, no. That stuff goes to the  
15 EPA now.  
16 Q. How about before?  
17 A. Yeah, I think we'd tell the -- I think we'd  
18 tell the BIA and the State about it just for information  
19 purposes, uses only.  
20 Q. So just so I understand this, if you have a  
21 leak, for example, in a pipeline in excess -- I believe  
22 your standard was 25 barrels?  
23 A. (Nodding head in the affirmative.)  
24 Q. -- that would trigger a phone call, correct?  
25 A. Yes.

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1 Q. Or a written report?  
2 A. Yes.  
3 Q. If it was something less than 25 barrels, but  
4 was nevertheless repaired, would that also trigger a  
5 report?  
6 A. No.  
7 Q. So the reason that you reported the casing  
8 leak -- I'm a little bit confused now about the reason  
9 why you reported this one. I understand that there was  
10 a leak.  
11 A. Yes.  
12 Q. Was there more than 25 barrels of fluid that  
13 was --  
14 A. There was nothing leaked at the surface.  
15 There was just pressure on the -- inside of the 5-1/2  
16 casing.  
17 Q. And so you reported this because you were  
18 preparing -- performing repairs on the casing, correct?  
19 A. Right.  
20 Q. Aside from that was there anything else about  
21 this particular incident that caused you to contact the  
22 BLM?  
23 A. Before we can -- Before we do any work on  
24 these wells, we contact the BLM, anything down hole.  
25 Q. I see. And that's where I'm just a little bit

Page 94

1 confused about the policy. If you're repairing an  
2 injection well where less than 25 barrels had been  
3 spilled, for example.

4 A. Well, there's surface leaks, and then there's  
5 subsurface leaks. This well wasn't leaking anyplace  
6 except into the 5-1/2 casing. And we've got to pull the  
7 well to repair that leak.

8 Q. So if it's a surface leak of more than 25  
9 barrels, you would report it.

10 A. Right.

11 Q. If you could turn your attention to Paragraph  
12 56?

13 A. (Looking.) Okay.

14 Q. This concerns an EPA notice of noncompliance  
15 in August of 1999. Do you recall this particular  
16 notice?

17 A. Yes.

18 Q. This concerns Well No. 5-D. Could you locate  
19 that on the map for me?

20 A. (Marking.)

21 Q. That's in Section 19, sir?

22 A. Yes.

23 Q. It indicates that the notice of noncompliance  
24 concerned exceeding the maximum allowable injection  
25 pressure. Is that different than what we were talking

Page 95

1 about before with respect to the Judith River Formation  
2 and the allegation that it was a highly pressurized  
3 zone?

4 A. Each well is different. You run a step-rate  
5 test on them and you figure your frac gradient and  
6 you -- That's how you get your maximum pressure.

7 Q. Now, do you recall -- And, again, the  
8 injection pressure at this particular well is monitored  
9 on a daily basis?

10 A. Yes, just about daily.

11 Q. And then did the EPA come out and do an  
12 inspection, or was this something that Murphy  
13 self-reported?

14 A. No, they inspected it.

15 Q. Do you recall by how much the maximum  
16 allowable injection pressure was exceeded?

17 A. I don't remember the exact figure, no, but it  
18 wasn't very much.

19 Q. Do you know sitting here today what that  
20 maximum allowable injection pressure for that well is?

21 A. I think it's 435 pounds.

22 Q. Do you have any -- You said -- Strike that.

23 Do you have any recollection of approximately how much  
24 you believe the pressure was exceeded in this case?

25 A. I can't remember for sure, no.

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1 Q. Now if you could take a look at Paragraph 57?

2 A. (Looking.) Okay.

3 Q. Do you recall receiving a second notice for  
4 this same well?

5 A. Yes.

6 Q. What were the circumstances surrounding the  
7 second notice of noncompliance?

8 A. Well, our gauge showed that we were under the  
9 maximum pressure, and their gauge showed that it wasn't,  
10 that it was over. And I didn't argue enough. After it  
11 was over, I talked to our pumper on the south end of the  
12 field, and he said on one of our wells down there that  
13 they checked the pressure on their gauge was off 15  
14 pounds, I think. Well, if I'd have been paying  
15 attention to that, we'd have had a -- we could have  
16 found a different gauge, and I don't think we were out  
17 of compliance there.

18 Q. So the statement by a pumper was that the  
19 EPA's gauge was off by 15 pounds.

20 A. Yes.

21 Q. Do you know who that pumper was?

22 A. Terry Ross.

23 Q. In response to notices of noncompliance that  
24 Murphy allegedly exceeds maximum allowable injection  
25 pressure, what is the response of the company to such a

Page 97

1 notice?

2 A. The response of Murphy? If we've got anything  
3 out of compliance there, we shut it in immediately and  
4 correct the problem.

5 Q. And if you're exceeding the maximum allowable  
6 injection pressure, how do you correct that?

7 A. Well, you can give them a shot of acid, or you  
8 can slow the pump down so it's not pumping so fast.

9 Q. And is the pressure that we're measuring there  
10 based in part upon the amount of water that's being  
11 injected into the formation?

12 A. Sometimes that makes a difference, yes.

13 Q. What else would make a difference in pressure,  
14 if you know?

15 A. Well, it's just how tight your formation is.

16 Q. Mr. Reece, do you recall when Grace Petroleum  
17 transferred their interests in certain Huber wells to  
18 Murphy in 1986?

19 A. I believe so, yes.

20 Q. Did you have any role in the transfer of those  
21 particular wells?

22 A. No. I looked them over and evaluated them,  
23 and I never had no -- nothing to do with the deal.

24 Q. No, I understand, and that was -- That's a  
25 good point. That's my question. In terms of -- Did you



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1 go out and inspect the wells?  
2 A. Yes.  
3 Q. Were there other wells that were being  
4 considered by Murphy that were not transferred in 1986?  
5 A. Other wells where?  
6 Q. From Grace Petroleum.  
7 A. Well, I believe there's 2 wells that we didn't  
8 take over then.  
9 Q. And do you know which wells those were?  
10 A. Oh, the Huber 4 and the 1-W.  
11 THE REPORTER: Huber 4 and what?  
12 THE DEPONENT: Huber 4 and the 1-W.  
13 Q. Just so we could be clear on this, just if you  
14 could read to yourself Paragraph 60?  
15 A. (Looking.) Okay.  
16 Q. You indicated that there were 2 wells that  
17 were not transferred, Huber 4, and what was the second  
18 one?  
19 A. 1-W.  
20 Q. 1-W. The Huber 4 that you're referring to  
21 that was not transferred, was that a saltwater well, or  
22 was it an oilwell?  
23 A. It was an oilwell, and I think the casing  
24 collapsed on it and they plugged it. Then they come  
25 back at a later date and made a saltwater disposal out

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1 of it.  
2 Q. In Paragraph 60 when it refers to Huber No. 4,  
3 this paragraph says Murphy did acquire.  
4 A. Well, there's a Huber --  
5 MS. OSTBY: Wait, wait. There's not a  
6 question pending. What was the question?  
7 Q. I'm just trying to figure out what -- Where is  
8 the confusion? You said the Huber No. 4 was not  
9 transferred, but this indicates that Huber No. 4 was  
10 transferred. Do you know what the difference -- Was  
11 there a difference between the saltwater well and the  
12 oilwell?  
13 A. There's 2 wells there.  
14 Q. Okay. 2 Huber No. 4s?  
15 A. Yes. One's a 4-A, and one's a 4.  
16 Q. So Murphy did not take No. 4-A?  
17 A. No. 4. They took 4-A.  
18 Q. So this sentence should properly read Huber  
19 No. 4-A, correct?  
20 A. Right.  
21 Q. Where is Huber No. 4 that was not transferred  
22 located on the map? If you could circle it in orange  
23 for me?  
24 A. Huber No. 4?  
25 Q. Yes.

1 A. (Marking.)  
2 Q. And that's located in --  
3 A. Northwest northwest.  
4 Q. Section --  
5 A. 10.  
6 Q. Section 10. And then the Well 1-W that was  
7 also not part of the transfer is located where?  
8 A. (Marking.)  
9 Q. That's in the same section, then.  
10 A. Yeah.  
11 Q. So part of your work involved inspecting the  
12 wells that were under consideration?  
13 A. Yes.  
14 Q. And just so I'm clear on this, the Huber No. 4  
15 had a collapsed casing? Is that what you said?  
16 A. I have no idea what it had. They had a  
17 problem, and they plugged it.  
18 Q. In terms of your investigation that they had a  
19 problem or a potential problem with that well, what did  
20 you do to find out that there was a problem, potential  
21 problem?  
22 A. Nothing.  
23 Q. They told you?  
24 A. What's that?  
25 Q. How did you learn that there was a problem or

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1 a potential problem with that well?  
2 A. With Huber 4?  
3 Q. Yes.  
4 A. Well, they -- I don't know. They plugged it.  
5 And they drilled it, a twin to it, the 4-A.  
6 Q. I see. So it was not a functioning well at  
7 that time.  
8 A. No.  
9 Q. How about for 1-W? Was there a problem with  
10 1-W?  
11 A. I have no idea.  
12 Q. That just wasn't transferred.  
13 A. No.  
14 Q. Would you turn your attention to Paragraph 65?  
15 A. (Looking.) Okay.  
16 Q. Do you recall Huber No. 4-A well leaking as  
17 discussed in this paragraph?  
18 A. Yes.  
19 Q. And what did Murphy do in response to those  
20 particular leaks?  
21 A. Pumped some cement in them.  
22 Q. This was in 1996?  
23 A. Apparently.  
24 Q. And any problems with this particular well  
25 since that time, to your knowledge?

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1 A. No.  
2 Q. Aside from the Huber wells that we've just  
3 talked about, did Murphy, to your knowledge, consider  
4 acquisition of any other wells that were owned by Grace  
5 during your employment?  
6 A. I don't think so. What was that question  
7 again?  
8 Q. While -- Since you've been employed with  
9 Murphy, do you have any knowledge of any other potential  
10 acquisition of wells owned by Grace aside from the ones  
11 that we've talked about today?  
12 MS. OSTBY: You're restricting it to this  
13 geographic area, I assume.  
14 A. Yeah. Yes, we bought these wells up northwest  
15 Poplar (indicating).  
16 Q. Anything else?  
17 A. No.  
18 Q. Do you know any of -- Strike that. I assume  
19 that you've seen the caption and the complaint that's  
20 filed in this case, so you know who the plaintiffs are.  
21 A. Yes.  
22 Q. Do you know some of those people?  
23 A. Yes.  
24 Q. Have you known them, some of them, for a  
25 while?

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1 A. Yes.  
2 Q. Have you ever been out to any of their houses?  
3 A. Yes.  
4 Q. Prior to the lawsuit?  
5 A. Yes.  
6 Q. Has there ever been a time, to your knowledge,  
7 where the water in the wells of one or more of the  
8 plaintiffs in this case has been potable?  
9 A. Run that by me again.  
10 Q. Sure. You understand what potable means?  
11 A. Yes.  
12 Q. Prior to the filing of the lawsuit in this  
13 case, had you ever been out to any plaintiff's house and  
14 consumed any of the water and it was potable?  
15 A. I believe I have. I don't know for sure,  
16 but . . .  
17 Q. Did any of the plaintiffs ever ask you about  
18 or advise you that their water was becoming of  
19 increasing salinity?  
20 A. Yes.  
21 Q. And do you recall when those complaints first  
22 started?  
23 A. No.  
24 Q. Do you know who made those comments to you?  
25 A. Rene Martell.

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1 Q. Aside from the water -- What did Rene tell  
2 you?  
3 A. The water wasn't good.  
4 Q. Did you taste any of the water at his house?  
5 A. I have in past years. I don't know if I did  
6 when he told me that, no.  
7 Q. In past years you've tasted the water. When  
8 you've tasted the water, was it something that you could  
9 consume?  
10 A. Yes. We're talking about a while ago, though.  
11 Q. How long ago was that?  
12 A. I don't know. I don't have any idea. I was  
13 over there when his father-in-law was still alive.  
14 Q. So a number of years ago.  
15 A. Yeah.  
16 Q. Aside from Rene, anyone else that's assoc --  
17 or any other plaintiff that's discussed the --  
18 A. Probably George Ricker.  
19 Q. George Ricker?  
20 A. Yes.  
21 Q. What did George tell you, if you recall?  
22 A. I don't really remember, no.  
23 Q. Do you recall when Mr. Ricker brought it to  
24 your attention?  
25 A. No.

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1 Q. Had you ever had any water that was potable  
2 from Mr. Ricker's location?  
3 A. No, I don't believe I've ever drank any water  
4 at George's house.  
5 Q. Did you know Mr. Trottier?  
6 A. Yes.  
7 Q. Did he ever mention to you that his water was  
8 becoming of increasing salinity?  
9 A. Yes.  
10 Q. When did he first, if you recall, make that  
11 comment to you?  
12 A. I don't remember.  
13 Q. Mr. Trottier worked for Murphy, didn't he?  
14 A. Right.  
15 Q. Had you ever been to Mr. Trottier's house and  
16 consumed water before he complained that it was becoming  
17 of increasing salinity?  
18 A. I don't remember.  
19 Q. Do you recall what Mr. Trottier said aside  
20 from, "My water's getting saltier"?  
21 A. No.  
22 Q. Do you know what Mr. Trottier did in response  
23 to the increasing salinity in his water?  
24 A. Well, they drilled another well.  
25 Q. The Trottiers did?

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1 A. Yes.  
2 Q. And did that, to your knowledge, locate some  
3 freshwater?  
4 A. Yes.  
5 Q. Are you aware of any problems with any of the  
6 plaintiffs' septic systems that might be causing  
7 problems with the groundwater?  
8 A. No. No.  
9 Q. Are you aware of any farming practices by any  
10 of the plaintiffs that may have caused or contributed to  
11 elevated levels of certain minerals or chemicals in the  
12 water underlying the East Poplar Unit?  
13 A. No.  
14 Q. Have you ever seen a report by a company named  
15 Holan, H-O-L-A-N, that was prepared by the tribes or  
16 sponsored by the tribes with respect to Murphy's  
17 practices?  
18 A. When was that written?  
19 Q. I think it was -- I have a copy here if you'd  
20 like to see it. I believe it was written in 1999.  
21 A. Probably. I've probably seen it.  
22 Q. I'll just show you. I've marked it up, but  
23 just to . . .  
24 A. (Looking.)  
25 MS. OSTBY: I think technically it's H-O-L-M,

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1 not N.  
2 MR. GALLIK: "Holm."  
3 MS. OSTBY: "Holm."  
4 MR. GALLIK: Thank you.  
5 MR. STERUP: Say that production number for  
6 the record.  
7 MS. OSTBY: It has been made an exhibit.  
8 MR. GALLIK: It's in Sid's deposition, Sid  
9 Campbell's.  
10 MS. OSTBY: Do you want me to get our copy?  
11 MR. GALLIK: I just want to know -- My  
12 interest is just what --  
13 A. I believe I've seen this, yes.  
14 Q. (By Mr. Gallik) I'm not going to ask you any  
15 specific questions about that, but . . . That report  
16 was dated in May of 1999. You can look at the front  
17 page if you want. Has Murphy undertaken any activity  
18 with respect to above-ground cleanup of its oilwells or  
19 saltwater disposal wells in the last couple of years?  
20 A. Oh, yeah.  
21 Q. When did that process start?  
22 A. Since we've been there.  
23 Q. Has there been an increase in activity in the  
24 last couple of years?  
25 A. Well, there could have been. You know, we're

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1 cleaning and trying to fix stuff all the time.  
2 Q. And when you're cleaning and fixing up, what  
3 type of work do you do to a well or a tank battery, for  
4 example, to clean or fix it up?  
5 A. Well, we got some abandoned tank batteries  
6 that we been hauling that stuff off and farming the  
7 locations, leveling them up and . . .  
8 Q. So when you say farming the locations, that's  
9 kind of grading it out and --  
10 A. Yeah.  
11 Q. Okay. How about removal of contaminated soil?  
12 A. Well, we generally just try to farm that right  
13 where it's at. That seems to work about as good as  
14 anything.  
15 Q. And is that what we were talking about earlier  
16 today with respect to bringing manure in?  
17 A. Yes.  
18 Q. Is there a particular person at Murphy that's  
19 in charge of the above-ground cleanup operations that  
20 we're talking about?  
21 A. I am.  
22 Q. And the cleanup that you're talking about, as  
23 I understand it, is an ongoing process?  
24 A. Yes.  
25 Q. Correct me if I misunderstood your testimony,

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1 that it may have picked up a little bit recently?  
2 A. A little bit, maybe.  
3 Q. When you say it may have picked up, what do  
4 you mean by that?  
5 A. Well, it's something that we're working on, we  
6 work on, all the time. And as far as cleaning up these  
7 abandoned tank batteries, we've picked that up the last  
8 couple years. We got rid of almost all that stuff now.  
9 Q. Was any of the recent activity by Murphy in  
10 response to the Holm report that you glanced at earlier?  
11 A. Oh, I'm sure some of it was, yeah.  
12 Q. Now, Mr. Reede, I understand that as a result  
13 of this most recent EPA order that there's a request  
14 that or order that alternative water be supplied to some  
15 people who live out in that particular area. Are you  
16 aware of that?  
17 A. Not really, no. Heard rumors of it, but . . .  
18 Q. Have you been out talking to any of the  
19 landowners in the area about reverse osmosis machines or  
20 cisterns?  
21 A. Cisterns.  
22 Q. What is a cistern?  
23 A. Well, it's a place to store water, I guess.  
24 Q. And the purpose of your discussions with the  
25 landowners is what? To see where they would want one?



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1 A. Right.  
2 Q. And have you managed to talk to all of the  
3 plaintiffs?  
4 A. No.  
5 Q. How large is the cistern that you're  
6 contemplating?  
7 A. Well, I don't know. I'm sure it would depend  
8 on the size of the family.  
9 Q. In terms of getting the water from the cistern  
10 to the house, do you know how that's to be accomplished?  
11 A. With a pipeline, I suppose.  
12 Q. Now, Mr. Reede, in terms of the voluminous  
13 documents that I looked at in -- It was Culbertson?  
14 Culbertson, Montana, did you have a role in putting all  
15 that paperwork and all those files together?  
16 A. Oh, I've done some of, it yes.  
17 Q. And just so I understand, do those files come  
18 from various locations in the unit, or was Culbertson  
19 always the place where you stored those records?  
20 A. No, we store them at the office. Or we had a  
21 warehouse out back we had them in, and we loaded them up  
22 and hauled them to Culbertson.  
23 Q. Where all the wasps were.  
24 A. Yeah.  
25 MS. OSTBY: We could have left them with the

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1 rats if you preferred.  
2 Q. Mr. Reede, at Page 52 of this -- Strike that.  
3 Have you been involved in responding to requests from  
4 EPA for documents regarding --  
5 A. A little bit, yes.  
6 Q. And I understand that Murphy has complied and  
7 produced documents to EPA, correct?  
8 A. (Nodding head in the affirmative.)  
9 Q. "Yes"?  
10 A. Yes.  
11 Q. At Page 52 of the report, there's a request  
12 for even more information.  
13 MS. OSTBY: Paragraph 87(c).  
14 MR. GALLIK: Yes. Thank you.  
15 Q. (By Mr. Gallik) Just scan that.  
16 A. (Looking.) Okay. Wait. (Looking.) Okay.  
17 Q. The information requested concerns wells,  
18 tanks, pipelines, pits. Just I understand that this  
19 is -- There's a lot of information requested here. To  
20 your knowledge, would this information that's been  
21 requested here have been put in the room in Culbertson?  
22 MS. OSTBY: You know, I'm going to object.  
23 He's never seen this document --  
24 MR. GALLIK: I know.  
25 MS. OSTBY: -- before.

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1 MR. GALLIK: Just the best of his knowledge.  
2 A. I would say it was there, yeah.  
3 Q. (By Mr. Gallik) And this is the sort of  
4 information that you keep in the regular course of your  
5 business, correct?  
6 A. Yeah.  
7 Q. So as far as you know, some of this may be  
8 duplicative of what you've already been asked to  
9 produce.  
10 A. Yeah, which well is this on?  
11 Q. It's -- If you look back at Page 51.  
12 A. (Looking.) It covers a lot of country here.  
13 I'd say they already have most of it.  
14 MR. GALLIK: We can take a quick break here.  
15 MS. OSTBY: Okay.  
16 (Recess taken from 2:28 to 2:33 p.m. )  
17 MR. GALLIK: Ready, Mr. Reede? We'll get you  
18 home here pretty quick.  
19 Q. (By Mr. Gallik) Mr. Reede, if you could turn  
20 your attention to the appendix of that report. I don't  
21 know how best to direct you there. There is at the back  
22 a spill report summary (indicating)?  
23 A. Okay.  
24 Q. And it looks like you're getting there. For  
25 Murphy it's Exhibit 2. Why don't you go ahead and just

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1 familiarize yourself with that. I know you've not seen  
2 it before.  
3 A. (Looking.)  
4 MS. OSTBY: Brian, do you want him to read  
5 each entry or just kind of be aware of the form?  
6 MR. GALLIK: Just be aware of the form.  
7 A. Okay.  
8 Q. (By Mr. Gallik ) And Mr. Webster just pointed  
9 out that -- Correct me if I'm reading this right.  
10 MS. OSTBY: I think it's 3. It's not just 2.  
11 It's a spreadsheet.  
12 MR. WEBSTER: Yeah.  
13 MS. OSTBY: Yeah, see, these would be the  
14 second sheets. And then the third sheet hardly has  
15 anything on it. Those are the third sheets there.  
16 MR. GALLIK: Oh, agency notified. Yeah.  
17 Q. (By Mr. Gallik ) Okay, Mr. Reede. So you have  
18 the complete picture in front of you, do you see at the  
19 bottom of the page it's numbered numerically --  
20 A. Oh, yeah.  
21 Q. -- Page 1?  
22 A. Yeah.  
23 Q. I believe that Page 10, if you can put that to  
24 your -- find Page 10 . . . If I could just help you  
25 here, the way I believe it's set up is this would be 1

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1 page (indicating).  
2 A. Oh, okay.  
3 Q. From left to right.  
4 Am I reading that right, Mike?  
5 MR. WEBSTER: That's how I believe it's read,  
6 yes.  
7 MS. SHEEHY: And are there 3 pages across?  
8 MR. WEBSTER: Yes.  
9 MR. GALLIK: But I'm just looking at the first  
10 two.  
11 Q. (By Mr. Gallik) Mr. Reede, in terms of  
12 looking at this particular spill report summary -- And I  
13 know you've not seen this and that it was prepared by  
14 another entity -- if you take a look at the first entry,  
15 source of spill, do you see that "Flowline developed a  
16 leak caused by external corrosion"?  
17 A. Mm-hmm. (Affirmative response.)  
18 Q. Do you see that? And it has a location of  
19 where the spill was located? Do you see that?  
20 A. Yeah.  
21 Q. And an amount of spill?  
22 A. Yeah.  
23 Q. And then the date of spill?  
24 A. Mm-hmm. (Affirmative response.)  
25 Q. And then the date the spill was reported?

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1 A. Yes.  
2 Q. And then going over to the next page, there's  
3 a number of entries, but then measures taken to clean  
4 up, action taken to prevent recurrence, do you see that?  
5 A. Mm-hmm. (Affirmative response.)  
6 Q. In terms of those headings, does that spark in  
7 your mind a recollection of a type of form that one  
8 prepares when reporting an incident?  
9 A. Yes.  
10 Q. And what would that form be?  
11 A. Well, Murphy spill report.  
12 Q. So this sounds like it came from one of your  
13 own documents?  
14 A. Probably, yeah.  
15 Q. With respect to, for example, let's call it  
16 Entry No. 1, flow line leak in Township 28 North, Range  
17 51 East, Section 3, do you see that?  
18 A. Mm-hmm. (Affirmative response.)  
19 Q. That indicates 1, is that correct, 1 barrel of  
20 oil spilled?  
21 A. What it looks like.  
22 Q. Now, this is in February of 1976, and your  
23 position at that time, were you superintendent at that  
24 time?  
25 A. No. I was foreman.

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1 Q. So someone else was reporting spills at that  
2 time, correct?  
3 A. Right.  
4 Q. Do you know from this entry or this  
5 description here where that particular leak occurred on  
6 this map?  
7 A. Well, just Section 3. In this section  
8 (indicating) someplace.  
9 Q. So that would be one of the underground  
10 pipelines, correct?  
11 A. Probably.  
12 Q. And there is, I take it, in Section 3 a tank  
13 battery? Or it could just be a pipe crossing Section 3?  
14 A. Well, there was some tank batteries in  
15 Section 3.  
16 Q. So all we know is that somewhere in Section 3  
17 there was a leak.  
18 A. Right.  
19 Q. And then the measure that was taken to clean  
20 up, front-end loader dumping it into an emergency pit.  
21 Then you replaced 400 feet of line with fiberglass line?  
22 Do you see that?  
23 A. Yes.  
24 Q. Is 400 feet, is that typical in terms of  
25 replacing a line with a leak in it?

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1 A. Well, it depends on what the pipe looks like.  
2 You know, if the pipe looks good, after you've dug a  
3 ways, if the pipe looks good, no external corrosion on  
4 it, why, you replace that, or, you know, if you've got a  
5 couple, 3 leaks in it, you replace the full line.  
6 Q. And when you say whole line, I'm just looking  
7 at the first page of Exhibit 2, which for the record is  
8 Page 10. It talks about increments of 200 or 400 feet  
9 of fiberglass line. Do you see that?  
10 A. Yeah.  
11 Q. Is there any --  
12 A. But I would say that the first 3 are the same  
13 leak. I don't think we replaced 400 feet 3 times on  
14 that one day.  
15 Q. So the first 3 could just be referring, it  
16 looks like, to one incident, then?  
17 A. Yeah. I don't have any idea, but it looks  
18 like it. Everything was identical.  
19 Q. If you could turn your pages for me to Pages 2  
20 and 11 of Exhibit 2? And we're still back in 1976. And  
21 then it goes through 1985. Again, you weren't the  
22 superintendent at that time, but on the Murphy -- on the  
23 forms that you have with respect to leaks, are you asked  
24 to give a description of the type of leak?  
25 A. Yes.

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1 Q. For example, a pinhole leak in gathering line.  
2 A. Mm-hmm. (Affirmative response.)  
3 Q. What's the size of a pinhole leak in the oil  
4 business?  
5 A. The size of a pin.  
6 Q. And it indicates that the amount of spill of  
7 saltwater was 5 barrels. What is a gathering line?  
8 A. Well, I always referred to a gathering line as  
9 an oil line. That must -- They must have been referring  
10 to something else.  
11 Q. And, again, you didn't prepare this, so you  
12 don't know how 5 barrels of water can accumulate from a  
13 pinhole leak.  
14 A. No, I . . .  
15 Q. Is the gathering line located above ground or  
16 underground?  
17 A. Underground.  
18 Q. Look at the bottom of Page 2. It talks about  
19 a fire at EPU No. 8?  
20 A. Mm-hmm. (Affirmative response.)  
21 Q. Do you see is that? Do you recall that  
22 particular fire?  
23 A. I believe so, yes.  
24 Q. What happened on that day, to the best of your  
25 recollection?

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1 A. I believe we had a hole in our total fluid  
2 line going to the free water knockout. And there was  
3 gas coming out of there, and it got in our electric  
4 motor and started a fire. I believe. I don't remember  
5 that long ago, but . . .  
6 Q. Now, so I understand these reports in the  
7 future, it indicates that there was no barrels of oil or  
8 no barrels of saltwater spilled.  
9 A. Yeah.  
10 Q. So now the reports that you complete, the  
11 report of fire, for example, it just -- Is it the same  
12 report that's used to report a fire as a leak?  
13 A. Well, I don't know as we got any reports for  
14 fire. We generally report that to the BLM or State,  
15 everybody else, you know, report it to Sid or whoever's  
16 down there. I don't know. I think on that federal land  
17 we have to file a report to the BLM on fires.  
18 Q. If you could turn to Pages 3 and 12? My  
19 question here is this is now -- We're now in the 1990s,  
20 and I take it at this time you're superintendent?  
21 A. Right.  
22 MS. OSTBY: It's district manager,  
23 technically.  
24 THE DEPONENT: District manager now.  
25 Q. My question is this: Earlier you testified

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1 that you would report spills that were in excess of 25  
2 barrels. Do you remember that?  
3 A. Mm-hmm. (Affirmative response.)  
4 Q. You have to say "yes" for the court report --  
5 A. Yes.  
6 Q. Okay. These reports here indicate, for  
7 example, with saltwater spills spills of less than 25  
8 barrels. I'm wondering if you can tell me why these  
9 particular spills would have been reported even though  
10 less than 25 barrels?  
11 A. I don't know.  
12 Q. About two-thirds of the way down, it talks  
13 about a side wall split in a 20,000-barrel oil tank. Do  
14 you see that?  
15 A. Yes.  
16 Q. Do you recall that happening?  
17 A. Yes.  
18 Q. What happened on that occasion?  
19 A. Well, we have a split in the bottom of our  
20 20,000 barrel tank.  
21 Q. Oil came spilling out?  
22 A. Yes.  
23 Q. Is that a common occurrence, or is that fairly  
24 uncommon?  
25 A. That's uncommon.

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1 Q. Again, the report summaries that we have here  
2 are internal documents. Well, the spill summaries that  
3 you prepare, those are internal Murphy documents?  
4 A. Yes.  
5 Q. Does anyone aside from you prepare spill  
6 reports even though you're the district manager?  
7 A. Yes.  
8 Q. Who else would prepare a spill report?  
9 A. The foremen have made them out.  
10 Q. So it's possible foremen had a different  
11 standard for reporting spills than you did.  
12 A. Yeah.  
13 Q. Now, Mr. Reede, do you know whether the  
14 aquifer below -- the freshwater aquifer below the East  
15 Poplar Unit is contaminated with saline?  
16 MS. OSTBY: Whoa. Whoa, whoa, whoa. What was  
17 that question? Does he know . . . ?  
18 MR. GALLIK: Does he know whether it's  
19 contaminated.  
20 MS. OSTBY: Where?  
21 MR. GALLIK: Under the East Poplar Unit.  
22 MS. OSTBY: I object. That's way overly  
23 broad, calls for speculation, beyond the scope of  
24 knowledge and expertise of this witness.  
25 Q. (By Mr. Gallik) I'm just asking if you know



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1 or not.  
2 A. I don't know, no.  
3 Q. Do you know what systems -- Strike that.  
4 Mr. Reede, with respect to the Union Pacific purchase of  
5 or near purchase, however you want to describe it, of  
6 some of Murphy's interests or all interests in the East  
7 Poplar Unit, did you take people from Union Pacific out  
8 into the field to inspect the wells?  
9 A. Yes.  
10 Q. And do you recall approximately when that  
11 inspection took place?  
12 A. Oh, I think it was in '88; '87, '88. Or '97,  
13 '98.  
14 Q. And how long were you out in the field with  
15 the Union Pacific representatives?  
16 A. Oh, 2 or 3 different times.  
17 Q. And over, if you recall, what period of time  
18 were those trips?  
19 A. Probably October through March.  
20 Q. Just so I understand that, when you go out  
21 into the field, what would you do?  
22 A. I showed them everything there was.  
23 Q. So you'd just go up and show them an injector  
24 well, for example?  
25 A. (Nodding head in the affirmative.)

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1 Q. Or a tank battery?  
2 A. Tank batteries, producing wells. I showed  
3 them everything in the field.  
4 Q. At the time you took these people out into the  
5 field, were you aware of the Joanna Thamke report which  
6 I -- that's been already introduced into the record by  
7 the USGS?  
8 A. Yes.  
9 MS. SHEEHY: What exhibit number is that?  
10 MS. OSTBY: This one has a sticker on it.  
11 It's just Exhibit B to something. I don't think it's  
12 the exhibit number of the deposition exhibit in this  
13 case.  
14 MR. GALLIK: Right.  
15 Q. (By Mr. Gallik) Was the Union Pacific, were  
16 the Union Pacific people, aware of that study, do you  
17 know?  
18 MS. OSTBY: Before you do that, we might --  
19 This is -- There's been several USGS reports, and this  
20 one is the Water Resources Investigations Report 97-4000  
21 that he was handed.  
22 MS. SHEEHY: Thank you.  
23 Q. Do you recall discussing this report with the  
24 Union Pacific people?  
25 A. Yes.

1 Q. Did they express any concerns to you about  
2 that?  
3 A. No.  
4 Q. Do you recall who from Union Pacific you took  
5 out into the field?  
6 A. I can remember a Mike Blackwood, Blackman, and  
7 a John. . . I can't remember. Mike Blackburn, I think  
8 his name was. Can't remember that, either.  
9 Q. You mentioned earlier that Union Pacific  
10 expressed an interest, and there was also another  
11 company I believe by the name of Merit?  
12 A. Yes.  
13 Q. Is that correct? Would the Merit interest  
14 have been prior to the Union Pacific interest or after  
15 Union Pacific's interest?  
16 A. Probably at the same time.  
17 Q. Did you also take Merit representatives out  
18 into the field?  
19 A. Yes.  
20 Q. Approximately how many times did you do that?  
21 A. Just once, I think.  
22 Q. And do you recall the name or names of the  
23 Merit representatives?  
24 A. No.  
25 Q. Do you recall discussing with the Merit

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1 representatives what I'm just referring generally to as  
2 the Thamke report?  
3 A. Yes.  
4 Q. So Merit was likewise aware of the Thamke  
5 report.  
6 A. Yes.  
7 Q. In terms of the tribe's involvement in the  
8 various investigations up in the East Poplar unit, have  
9 you worked with any one particular person more than  
10 others from the tribe in terms of their investigation?  
11 A. No.  
12 Q. Do you ever work with Deb Madison?  
13 A. Yes.  
14 Q. What is her role, if you know?  
15 A. She's the head of the tribal environmental  
16 protection agency.  
17 Q. To your knowledge, has she been in the Poplar  
18 area for a while?  
19 A. Probably 10 years.  
20 Q. Since you've been district manager, have you  
21 had a number of foremans underneath you?  
22 A. Yes.  
23 Q. Can you tell me who those foremans were?  
24 A. Oh, Larry Sage, Jerry Hagadone, Howard  
25 Anderson, Jim Corne.

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1 Q. Those 4?  
2 A. Vern Sandau.  
3 Q. Of those 5 I take it at least 2 of them still  
4 work for you?  
5 A. Just 1.  
6 Q. Just 1? Who is that?  
7 A. Jim Corne.  
8 Q. The other 4 individuals, Larry, Jerry, Howard,  
9 and Vern, do you know if they're still in the Poplar  
10 area?  
11 A. Jerry and Larry are.  
12 Q. How about Howard and Vern? Do you know where  
13 they are now?  
14 A. Howard passed away, and Vern's in Billings.  
15 Q. In terms of environmental regulations or  
16 changes in environmental regulations that may impact  
17 your responsibilities in the East Poplar Unit, do you  
18 receive directives from Louisiana on occasion pointing  
19 out a change in the law or change in procedure that they  
20 would like to have followed?  
21 A. Either that or from the BLM or the State.  
22 Q. So there is a number of sources of  
23 information?  
24 A. Yeah.  
25 Q. In terms of your own responsibilities with the

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1 people that are underneath you, do you have meetings  
2 with your foremen and other workers to advise them of  
3 the changes in the regulations?  
4 A. Yes.  
5 Q. And are those meetings held as needed, or do  
6 you have regular meetings with your staff?  
7 A. Just as needed, I guess.  
8 MR. GALLIK: Okay. Well, I think I'm just  
9 about done. I just need to make one quick phone call.  
10 MS. OSTBY: Okay.  
11 (Recess taken from 2:55 to 2:57 p.m.)  
12 MR. GALLIK: Just a couple questions.  
13 Q. (By Mr. Gallik) Mr. Reede, returning to  
14 Exhibit 51-A, have you filled out report forms for  
15 Murphy reporting spills since you've been manager or  
16 district manager?  
17 A. Yes.  
18 Q. And would those reports -- Again, those  
19 concern spills of over 25 barrels, correct?  
20 A. (Nodding head in the affirmative.)  
21 Q. "Yes"?  
22 A. Yes.  
23 Q. Just my scan through the spill report summary  
24 here doesn't seem to indicate any reports of -- or maybe  
25 only one or two of spills in excess of 25 barrels. Is

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1 it uncommon to have spills in excess of 25 barrels?  
2 MS. OSTBY: You know, again I'm going to  
3 object, 'cause he hasn't read this. We don't know where  
4 these reports came from. We don't know what spill  
5 reports the EPA's talking about.  
6 MR. GALLIK: I understand. That's what I'm  
7 trying to figure out, too.  
8 MS. OSTBY: Okay.  
9 A. There's not a lot of spills over 25 barrels.  
10 Q. (By Mr. Gallik) Do you have an estimation of  
11 probably how many reports you filled out in the years  
12 you've worked there?  
13 A. No.  
14 Q. More than 10?  
15 A. Oh, yes.  
16 Q. Less than 100?  
17 A. I don't know.  
18 MR. GALLIK: Thank you. I don't have any  
19 further questions.  
20 MS. OSTBY: Okay. I have no questions.  
21 MR. MURPHY: No questions.  
22 MR. STERUP: No questions.  
23 MR. ROSS: No questions.  
24 MS. SHEEHY: No questions.  
25 MS. OSTBY: You're a free man.

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1 MR. WEBSTER: You're done.  
2 (Deposition concluded at 2:59 p.m.)  
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DEPONENT'S CERTIFICATE

I, RAYMOND FLOYD REEDE, the deponent in the foregoing deposition, do hereby certify that I have read the foregoing 129 pages of printed material and that the same is, with any changes noted below, a full, true and correct transcript of my oral deposition given at the time and place hereinbefore noted.

PAGE LINE CHANGE REASON FOR CHANGE

Raymond Floyd Reede

Subscribed and sworn to before me this day  
of 2001.

(SEAL) Notary Public  
For the State of Montana,

Residing at

My Commission expires

Page 131

STATE OF MONTANA )

: ss  
County of Yellowstone )

BE IT KNOWN THAT I, T. Sterling Smith, took the foregoing deposition, pursuant to Notice of Deposition filed in said court and cause, at the time and place stated in the caption hereto;

THAT I was then and there a notary public in and for the State of Montana;

THAT by virtue thereof I was authorized to administer an oath;

THAT the deponent, Raymond Floyd Reede, before testifying, was duly sworn to testify the truth, the whole truth and nothing but the truth;

THAT the testimony of the deponent, as given, was taken in shorthand by me and subsequently reduced to writing under my direction;

THAT after being reduced to writing, the original deponent's certificate and a copy of this deposition was delivered to counsel for the Defendant Murphy Exploration & Production Co. for examination and signature by the deponent; and

THAT the foregoing 129 pages of printed material contain a full, true and correct transcript of all the testimony of said deponent.

I FURTHER CERTIFY THAT I am not of counsel nor attorney for either or any of the parties to said action or otherwise interested in the event thereof, and that I am not related to either or any of the parties to said cause.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed my seal of office this 3rd day of October 2001.

(SEAL) T. STERLING SMITH, NOTARY PUBLIC  
FOR THE STATE OF MONTANA,  
RESIDING AT BILLINGS, MONTANA.

My Commission expires December 12, 2001.



GOETZ, GALLIK, BALDWIN & DOLAN, P.C.

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October 15, 2001

Nathan M. Wiser  
Environmental Scientist  
United States Environmental  
Protection Agency  
Region 8  
999 18th Street, Suite 500  
Denver, CO 80202-2465

Dear Mr. Wiser:

Enclosed please find a copy of the deposition of Ray Reede.

Sincerely,

GOETZ, GALLIK, BALDWIN & DOLAN, P.C.

Brian K. Gallik

BKG: ads  
Enclosure

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Office of Compliance & Environmental Justice

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MONTANA  
BILLINGS DIVISION

Cause No. CV-98-108-BLG-JDS

OCT 18 2001

3891  
70092

CARY G. YOUPEE; D. DWIGHT YOUPEE;  
JOSI YOUPEE; RENE MARTELL; MARVIN  
K. YOUPEE, SR., individually and  
as representative and next friend  
of MARVIN YOUPEE, JR., WILLIAM  
YOUPEE III, IRIS YOUPEE, and  
BRITTANY YOUPEE; EUGENE ABBOTT;  
MARGARET ABBOTT; CHARLES FOUR BEAR,  
individually and as representative  
and next friend of JORAY FOUR BEAR,  
JONATHON LITTLE WHILRLWIND, AVA LEE  
LITTLE WHIRLWIND and CHARLES FOUR  
BEAR II; ANNA FOUR BEAR; GEORGE F.  
RICKER, SR.; HELEN RICKER;  
GEORGE F. RICKER, JR., individually  
and as representative and next friend  
of ERIN RICKER; WILLIAM T. RICKER;  
ABIGAIL REDDOOR; IRMA REDDOOR; LAURA  
BLEAZARD, individually and as  
representative and next friend of DAVID  
BLEAZARD; ROSS BLEAZARD; ERICA BLEAZARD;  
TRIVIAN GRAINGER, individually and  
as representative and next friend of  
DANIEL GRAINGER and ADAM GRAINGER; DAVID  
GRAINGER; DAWN GRAINGER; DENISE GRAINGER,  
individually and as representative and  
next friend of JORDAN GRAINGER, JAY GRANDCHAMP  
and TINA KOHL; DONNA BUCKLES-WHITMER; WARREN  
WHITMER; and ALLEN YOUPEE,

CONDENSED  
COPY

Plaintiffs,

vs.

MURPHY EXPLORATION & PRODUCTION  
CO., a Delaware corporation;  
MESA PETROLEUM CO., a Delaware  
corporation; PIONEER NATURAL  
RESOURCES USA, INC., a Delaware  
corporation; SAMSON HYDROCARBONS  
COMPANY, an Oklahoma corporation;  
MARATHON OIL, an Ohio corporation;  
and JOHN DOES 10 through 50,